Problems of COMMUNISM

PROBLEMS OF ECONOMIC REFORM

Harry G. Shaffer
Rush V. Greenslade

"PARASITES" OF THE USSR

Leon Lipson

DISCONTENT IN CHINA

A. A. Cohen & C. S. Steffens

Indian Party Rift

Harry Gelman

VOL. XII No. 3
May-June 1963

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Problems of COMMUNISM

NUMBER 3 MAY-JUNE VOL. XII 1963

Problems of Communism is a bimonthly publication. Its purpose is to provide analyses and significant background information on various aspects of world communism today. Opinions expressed by contributors do not necessarily reflect the views or policies of the United States Government. Any reprinted materials in *Problems of Communism* have been copyright cleared and, unless specific restrictions are noted, may be republished in all countries except the United States and Canada. Subscriptions or single copies may be obtained from the distributing sources noted at the bottom of this page. Comments and suggestions from readers should be addressed to:

The Editors, *Problems of Communism*
United States Information Agency
1776 Pennsylvania Ave., N.W.
Washington 25, D. C.

SPECIAL FEATURE

The Future Belongs to . . . Parasites?,
by Leon Lipson and the Editors 1

COMMUNIST CHINA

Disillusionment within the Ranks,
by A. A. Cohen and C. F. Steffens 10

THE SOVIET UNION

What Price Economic Reforms?
Ills and Remedies,
by Harry G. Shaffer 18
Khrushchev and the Economists,
by Rush V. Greenslade 27
Et Resurrexerunt: How Writers Rise from the Dead,
by Hugh McLean 33

BOOKS

Soviet Critics and American Fiction,
by Irving Howe 42

NOTES AND VIEWS

Indian Communism in Turmoil,
by Harry Gelman 45

PLEASE NOTE:

Outside the United States, *Problems of Communism* may be obtained from the nearest office of the United States Information Service. For sale within the United States by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. Price per copy: $.35. Subscription price: $1.50 a year. Additional $.50 for foreign mailing.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Future Belongs to... Parasites?

ADOLF YOSIFOVICH YUTSON is 31 years old, tall and broad-shouldered. Loooking at him one automatically thinks: "Such a person yields large quantities of production."

The judge announces the essence of the case. Yutson has been unemployed for several years. He haunts the thresholds of restaurants, drinks heavily, and steals money and valuable articles from his parents.

The tender-hearted father "tossed" his offspring sufficiently large sums of money. Since this was not enough for his drinking sprees, Adolf turned to his mother with requests for "subsidies."

"Why do you not want to work?" asks the judge.

"And why should I work? My parents have much money, and it is enough for me."

With this phrase, he very precisely shaped his attitude toward life.

The People's Court sentenced Yutson to exile from Moscow for a period of four years with compulsory labor.

EDITORS; NOTE: The November-December 1962 issue of this journal carried the above translation of a report by one A. Lavrentiev, first published in Moskovskaia pravda *on August 4, 1962. In reprinting the item, we asked interested readers to submit comment defining the nature of the defendant's crime and pointing to "any other civilized country boasting similar legal concepts." Deserving replies were to be rewarded with bound copies of J. V. Stalin's* Problems of Leninism. *Our following issue announced that a letter had been dispatched requesting comment from Professor P. S. Romashkin, Director of the Soviet Institute of State and Law in Moscow (see p. 5) and also that Professor Leon Lipson of Yale University had been asked to help us judge responses.*

Below we publish (1) a commentary by Professor Lipson, assessing the replies and in the process offering a penetrating analysis of the Soviet "anti-parasite" laws; (2) a statement on how the awards were made and the text of selected letters. To date no reply has been received from Professor Romashkin.

Commentary by Leon Lipson

THE ANSWERS which the editors have asked me to look at displayed a variety of opinions on the precise nature of the offense of Adolf Yutson, though that variety does not of itself prove that the offense was imprecisely defined.[1] The single explanation advanced most frequently was that Yutson had been convicted for not working; this appeared for instance in letters from England, the United States, and several from India. Some refined this idea by suggesting that Yutson had been convicted because he would not work for the state, or would not do useful work. Others combined his not working with his eating or his drinking; there were references to the principle, adopted in the Soviet constitution, that "he who does not work, neither shall

[1] The report was written for a lay audience and may well have been abbreviated. Its author, A. Lavrentiev, was identified as a member of the local headquarters of a detachment of the "volunteer people's police."

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

he eat";[2] and the mention of the defendant's drinking habits was thought to suggest a category of misdemeanor like vagrancy or disorderly conduct.

A few respondents, chiefly from common-law countries, noticed that the defendant was reported to have stolen from his parents and inferred that this misdeed must have figured in the conviction. Evidence about theft may not have been irrelevant to the charge on which Yutson was tried, but he probably was not tried for theft, and if he was he almost certainly was not convicted of theft, for the reported punishment would be unsuited to theft under Soviet legislation.

Some contributors felt impelled to flesh out the report with other facts. They supposed that if the procedure was justified then its target must have "done" something —committed a breach of the peace, say, by not just "drinking heavily" but also being disorderly, or subjected his family to being a charge upon the state. Others got around this difficulty by concentrating attention not on any particular act of the defendant but rather on the socially undesirable status in which the defendant's way of life had put him in the eyes of the Soviet authorities. Some of the correspondents referred to the defendant's immoral living, to his habitual idleness and disorderliness, to his refusal to support his family, to his general economic criminality, to his affront to the lawkeepers. In recent Soviet doctrine personal particular guilt is a prerequisite to criminal conviction; but then officially Yutson's offense is not a "crime," the procedure followed in his case is not criminal procedure, and the punishment is not a criminal sentence.

In dealing with the second part of the editorial invitation, the respondents compared the Soviet law to two main categories of law elsewhere. The first category included laws in other Soviet-bloc countries (China, Rumania), in certain ancient societies (Egypt, Greece), or more generally in systems referred to as tyrannies and dictatorships. The second category consisted of the vagrancy laws in many countries (including several of the United States), though some difficulty was perceived in juxtaposing the ordinary Western vagrant with the affluent wastrel who emerges from the skimpy report of the case. The ordinary vagrant usually lives without visible means of support; Yutson's means of support were all too clear. There are indeed other Soviet laws, aimed at vagrancy as such, but they were almost surely not invoked here. A few respondents sought still wider comparability by using the Yutson prosecution as an instance of a society's reaction to whoever refuses to fit into the demands of that society; one contributor used the term "sociopathic."

IN THIS WRITER'S VIEW, Yutson was undoubtedly tried under an edict passed in the Russian Republic on May 4, 1961 (and duplicated, with few differences, in the other Soviet republics in the five months that followed). These edicts were new in several of the republics, including the Russian and Ukrainian; in nine others, they superseded or amended anti-parasite laws enacted between 1957 and 1960. They are aimed at persons who "lead a parasitic mode of life" by not working, or taking jobs only for the sake of appearances, and deriving income through non-labor means. Several categories of offenders are specified in the edicts: they include, for example, persons who misuse their rights with respect to land, personal property such as a house or dacha, or consumer goods and facilities; and they cover by implication those who charge unofficial high prices for unofficial repair work, or who ply their personal automobiles as taxis. The edicts also have a catchall phrase, providing liability for persons who have committed other, unspecified antisocial offenses enabling them to derive non-labor income and thus to lead a parasitic mode of life; and an authoritative commentator has said that "this category of parasites indisputably includes people who, though able to work, live off their relatives and have not worked for a long time or do not work at all."[3] Such offenders are said to account for a considerable proportion of the persons prosecuted under the 1961 edicts. Yutson probably fell into this category, though the newspaper report did not indicate the presence of facts often mentioned in other case reports, such as the use or threat of violence to the relatives supporting the defendants.

If the procedure under the 1961 edicts was followed faithfully, either the police, the government attorneys' office *(prokuratura)*, or a civic organization such as a residential collective or union must have first given

[2] Constitution, Art. 12. See Khrushchev's speech on the new CPSU Program (in Russian), Moscow, Gospolitizdat, 1961, p. 123: "We must carry out strictly the principle, 'He who does not work, neither shall he eat,' the principle of payment in accordance with work. At the same time we have to plug up firmly any and all loopholes through which anti-social elements rob society and derive non-labor income. . . . We must decisively put a stop to speculative and other machinations by using the full force of Soviet power and the force of the public."

[3] A. S. Shliapochnikov, *Borba s tuneiadtsami vsenarodnoe delo* (The Struggle against Parasites—A National Cause), Moscow, Gosiurizdat, 1962, p. 33.

Professor of Law at Yale University and one of America's foremost authorities on the Soviet legal system, Mr. Lipson last appeared in these pages with "Execution: Hallmark of 'Socialist Legality,'" (September-October 1962).

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Yutson a more or less formal warning to mend his ways —that is, in his case, to get to work. The preliminary warning was not a prominent feature of the first wave of anti-parasite laws but is now obligatory. Presumably he disregarded that warning. Material on his case was then checked by the police or the government attorneys, and someone in the government attorneys' office decided to send the case on for trial.

Had Yutson been shamming work at a nominal position, the *prokuratura* would have had to decide whether to send his file to a regular People's Court (the lowest court of general ordinary jurisdiction) or to a collective of his fellow workers; the court could then have exiled him directly, but the collective would have had to make a recommendation for exile, subject to confirmation by the executive committee of the local Soviet. As Yutson seems not to have had even nominal work, there was no choice of routes, and if the case was to be sent on at all it had to go to the People's Court.

In this type of case the People's Court was not exercising its criminal (or civil) jurisdiction but was simply discharging a special function conferred upon it by the anti-parasite edicts.[4] The procedural guarantees of the 1958 Fundamentals of Criminal Justice and the republican codes adopted in conformity with them, whatever their relative defects, are not extended to anti-parasite cases, though when those cases come into a People's Court the differences between regular criminal prosecutions and the special proceedings may not be very sharply drawn in practice. There have even been suggestions that, if the government attorney is present, the person charged—he is not officially called a defendant or an accused—ought to be represented by counsel; but the anti-parasite laws do not provide a right to counsel, and it is doubtful whether the attempt to "legalize" the procedure will prevail.

The sanctions available to punish a parasite under the edicts are of two sorts; both may be applied to the same offender, and in principle both are supposed to be applied. The basic sanction is exile [5] to specially fixed localities, usually in distant regions of the republic, for a period that must not be less than two [6] or more than five years, with compulsory labor at the place of exile. A recent study of 600 anti-parasite cases in the RSFSR indicates that the terms of sentence were distributed in the ratio of 2 years, 20 percent; 3 years, 25.5 percent; 4 years, 11.5 percent; 5 years, 43 percent.[7] The other sanction, said to be applied too seldom and too casually, is confiscation of the property improperly acquired; we do not know whether this was carried out in Yutson's case.

SO MUCH FOR a sketch of the way the anti-parasite laws work. Why were they passed? The official accounts stress the determination of the Soviet people to make every member of "socialist" society willing and eager to do his part, to work to bring a better life to pass in the higher phase of communism. This professed goal appears to have three aspects, which we may conveniently call the productional, the sanitary, and the salvational. Parasites are to be made to work in order that production can be increased, they are to be temporarily isolated from the law-abiding majority in order not to infect their betters with private-property views, and they are to be reformed because civic virtue is good in itself.

May one conclude, from the severity of the sanctions, that the Soviet leaders are alarmed by an increasing incidence of such "parasites"? The inference, though natural, is rejected in Soviet explanations, just as it is in the case of the recent broadening of the application of the death penalty. In both instances we are told that the reduction in crime and the rise in the moral level of the population have produced in the overwhelming law-abiding majority a growing determination to do away with the nuisance created by the ever smaller anti-social minority. Yet in the late 1950's when some criminal penalties were reduced and some criminal procedures were liberalized, we were informed that the change was also occasioned by the reduction in crime and the rise in the moral level of the population. An explanation that accounts in the same way for contradictory trends is suspect, and we may be excused for continuing our search.

The anti-parasite laws in their present form represent a change from the conception that seems to have inspired the original drafts of 1957. The accent then was upon the procedure by which the parasites were to be

[4] The prevailing view among Soviet commentators is that the anti-parasite measures belong to the category of administrative law. Some would call the substantive part of the law administrative and the adjectival part, at least at and after the stage of sentencing, criminal.

[5] The term used officially is not exile *(vysylka)*, which has harsh connotations from Tsarist and previous Soviet history, but eviction or "ex-settlement" *(vysylenie)*. In the Yutson report, however, as in a number of other references in Soviet literature to the anti-parasite laws, the term *vysylka* is used.

[6] Some courts have imposed exile for periods less than the prescribed minimum; their actions have been criticized and set aside. See "Postanovlenie No. 6 plenuma verkhovnovo suda SSSR, 12 sentiabria 1961 g.," *Biulleten Verkhovnovo Suda* SSSR No. 5, 1961, pp. 8-11; Yu. Severin, "Usilenie borby s litsami, vedushchimi paraziticheskii obraz zhizni-vazhnaia zadacha sudov," *Id.*, pp. 36-41.

[7] A. S. Shliapochnikov, *op. cit.*, p. 46.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

adjudged directly and informally by the community sitting in an assembly of citizens, a latter-day town meeting. Had the 1957 drafts come after, rather than two years before, the 21st Congress, we should have had little trouble fitting the anti-parasite measures into the trend of what Soviet literature now calls the expansion of the role of the public in the administration of justice. This in turn is one, and perhaps the most important one, of the areas in which steps are being taken in partial compliance with the party's directive to transfer the main motive power from the hands of the state to those of civic organizations.[8] If the emphasis of the anti-parasite laws were still on community pressure, they would take their place beside such developments as the campaign to develop the voluntary people's police *(druzhiny)* as the main operational body for protecting public order; the campaign to revive the comrades' courts in occupational and residential collectives as instruments for less drastic forms of social censure; the expansion of the auxiliary use of lay accusers and defenders, representing civic organizations, in criminal trials; the scheduling of more and more regular court sessions in places of public assemblage like union halls or clubs; and the placing of certain defendants under the tutelage of civic organizations vouching for their correction and for their proper re-education.

In their present form, the anti-parasite laws preserve the resort to civic pressure by requiring the preliminary warning to be pronounced by a collective or by an official agency, and by keeping the alternative route (procuracy to collective to local soviet) in the case of nominally employed parasites. According to several reports, however, the wholly unemployed parasites have dominated the lists, and they can be prosecuted only through the regular courts.[9] Complaints have been made that even the minority of offenders who have nominal employment are usually sent to the regular courts rather than to the occupational collectives. We do not know whether this is because the government attorneys regard the collectives as ineffective; because the government attorneys—in the interest of legality—are trying to make the procedures more like ordinary criminal prosecutions, despite the ostensibly non-criminal character of the anti-parasite legislation; or because the government attorneys simply persist in preferring to deal with that institution with which they are more familiar.

WHEN WE PUSH our inquiry a little farther back than the promulgation of the 1957 drafts, we recall that in 1956 the Soviet authorities announced the abolition in 1953 of the Special Boards of the Ministry of the Interior, which from 1934 on had sentenced scores of thousands of defendants by extra-judicial trial to years of forced labor as socially dangerous elements. The provision of judicial safeguards for most criminal trials was an achievement of the "thaw" of 1956-57, but the abolition of the Special Boards may be thought by some of the party leaders to have left a gap that ought to be filled. The anti-parasite collectives could well have been considered to be a device, less odious because newer and more public than the Special Boards, for separating from the community those elements who presented a "social danger" but whose behavior could not be classified as criminal action warranting regular criminal prosecution.

The 1957 drafts met with less than universal acclaim. It took three years for nine of the Soviet republics to pass corresponding legislation, and the alterations of 1961 were substantial. There seems to have been a partial compromise, in which the threat of direct party-controlled mob justice was to be contained by the government attorneys' discretion in checking the materials and in selecting the cases that would be channeled to the collectives. It is an anomaly for the regular courts to be applying ostensibly non-criminal legislation to send non-defendants up the river for two to five years of compulsory labor, but Soviet justice has learned to be content with anomalies before this.

None of the procedural history comes to grips with the question of the substantive purposes of the anti-parasite laws. As is true of much legislation of other kinds in other places, the objectives probably were multiple. One objective must have been simply to get rid of the "bad actor," the drunken bum or violence-prone loafer who tryannizes over his family and neighbors, or the drifter who gets into "trouble" without actually committing crimes. The anti-parasite cases reported in the early days of the legislation often belonged to this group. The authorities could just as well, perhaps, have waited for the criminally punishable breach of the peace or crime against property; Soviet legislation does not lack means to handle such offenses. But if we bear in mind the originally contemplated procedure, we can grasp something of the intention to focus the organized reaction of society all the more effectively by having it bear down directly

[8] See, *e.g.*, A. I. Lukianov and B. M. Lazarev, *Sovetskoe gosudarstvo i obshchestvennye organizatsii* (Soviet state and public organizations), Moscow, Gosiurizdat, 2d ed. 1961, esp. pp. 240-58.

[9] No reason was given in 1961 for withdrawing from the urban residential collectives the power they had had under the 1957-60 laws to recommend exile to the executive committees of local soviets. Perhaps the urban residential collectives were less effective or less tractable than the trade-union meetings and the collective-farm groups.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and indignantly—but "unofficially"—upon the reprehensible offender. Another purpose was probably to provide a handy means of dispatching the man who, far from being a loafer or idler, worked hard in officially disapproved yet not quite criminal ways, especially the man who turned a profit by using his property or his skills to fill a need which the Soviet economy was not organized to meet in a politically acceptable manner.[10]

A third type of target is that which is represented by the almost forgotten Mr. Yutson. Let him stand for the privileged younger generation, brought up in an environment that never ceases telling itself what a solicitous and nurturing atmosphere it provides and what a bright future is being prepared for the children of the present. In a system whose ideology is that work is a sacred duty gladly assumed by him whose early upbringing has been provided for by society, Yutson has enough from his parents and therefore refuses to work. In that "therefore" lies his real offense. It is not so much that he steals from his parents, for that is only a make-

[10] See I. E. Farber, "Sootnoshenie prav s obiazannostiami i sotsialisticheskoe pravosoznanie," (The relation between laws and obligations and socialist legality), in Saratovskii Yuridicheskii Institut im. D. I. Kurskovo, *Razvitie prav grazhdan SSSR i usilenie ikh okhrany na sovremennom etape kommunisticheskovo stroitelstva* (The development of laws of Soviet citizens and the strengthening of their defense at the present stage of Communist construction), Saratov, 1962, pp. 63-64: "In a socialist state everyone exercising a right is bound to exercise it reasonably in the framework of the law and the norms of communist morality. Abuse of right is regarded by socialist law-consciousness as amoral conduct. Of course the duty to exercise one's rights reasonably is not always nowadays a juridical duty, the violation of which will entail state coercion in all instances. But the state too imparts a juridical character, in the case of many rights, to this obligation . . . witness the Ukaze. . . . of May 6 *(sic)*, 1961. . . . The right to work presupposes the duty to work honestly . . . from every right, for a given subject of rights, flows a certain duty; and if that duty is not fulfilled, then the right may (though it need not necessarily) be extinguished by society."

An Unanswered Letter

Below is the text of a letter sent by registered mail to Professor P. S. Romashkin, director of Institute Gossudarstva i Prava *(Institute of State and Law) in Moscow:*

December 18, 1962

DEAR PROFESSOR ROMASHKIN:

Enclosed herewith is an issue of *Problems of Communism,* a bimonthly journal published, as you probably know, by the U. S. Information Agency and distributed in English and Spanish throughout the world.

In this issue there is an article which we think you and your colleagues at the Institute will find of particular interest—namely, "Is Coercion Withering Away?," by Jeremy R. Azrael (p. 9). Along with it, there is, on p. 14, a brief excerpt from the August 4, 1962 issue of *Moskovskaia pravda,* concerning the trial of one Adolf Yosifovitch Yutson. As you will note, we asked our readers to comment on this particular case, and I think you will be interested to know that a good number of our readers have already come through with replies, some of which offer provocative analyses of parallels and differences between certain U.S. and Soviet laws.

In connection with this, we were wondering whether either you or perhaps one of your colleagues at the Institute would care to comment on the trial of Yutson, as well as on the article of Mr. Azrael in general. In particular, we should be grateful to have your views on the so-called "anti-parasite" laws and on the extension of the dea th penalty to cover economic crimes (discussed in another article in the same issue—"Liberalization: A Balance Sheet," by Robert Conquest, p. 5).

As a rule, we allow our correspondents about 500 words or so. However, in this case we should certainly be ready to make an exception, by setting the limit at, say, 3000 words. It goes without saying that we would publish your letter without any changes whatsoever. Should you prefer to write in Russian, we shall have the letter translated and submit it to you for approval before sending it to the printer.

In conclusion, I should like to point out that *Problems of Communism* is distributed in over 30,000 copies, and that by publishing your comments in it, you would assure yourself of a very sizable audience, one which would undoubtedly be interested in your opinions on the important matters raised in the above-mentioned articles. We also believe that our invitation is in accord with the oft-expressed desire on the part of the leaders of the USSR for a competition and exchange of ideas between your system and ours. It is for all these reasons that we are looking forward to what we hope will be your early and affirmative reply.

ABRAHAM BRUMBERG
Executive Editor,
Problems of Communism

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

weight; or that he himself does not produce, for production in the Soviet Union is not so exquisitely arranged that the loss of a few gilded youths will mean a great drop in the gross national product; or even that he may infect others, for he is more likely to infect others in the place to which, than in the place from which, he was sent. Yutson is worse than anti-social, he is ungrateful.[11]

Not many Soviet adults could, even if they would, live indefinitely upon their parents' earnings and savings. Not many children can make Yutson's claim. Yet in a society where so much verbal stress is laid upon the need to raise standards of living, upon the beneficent effect that rising living standards must have upon workers' morale, Yutson's case raises the specter of indolent ease. Can it be that today's striving will develop, not the heroically straining youth of official Soviet art and literature, but the negligent slouch of a Yuston?

The men who make today's Soviet laws have survived a grim and bloody past. Despite the ritual self-gratulation of the Soviet press and the cheery confidence of the voices on Radio Moscow, they cannot help being aware, however fragmentary their information, that much remains to be done to catch up, and not only in economic terms. At the same time that they are digging themselves out of their history, however, they are confronted by the perennial and universal revolt of the young, in the special variant of the nuclear era and the even more special subvariant of Soviet conditions. There must not be any admission that there is a conflict between Fathers and Sons; Chairman Khrushchev, in his March 8, 1963, address to the party meeting with artists and writers, repudiated such a notion expressly. The ideology of Marxism-Leninism, which has paid so much attention to dynamics, which abounds in talk of stages and development and periodization, cannot recognize its own transitory character.

If the revolt of the young were only a political opposition, the regime could apply to it some of the lessons learned in sixty years of battle, before and after the October Revolution. But how shall the aging warriors combat the rebellious apathy of their own progeny? What if posterity simply ignores the victories bought at such a price?

The anti-parasite laws show one way of trying to turn this tragedy into melodrama. In the particular form of the able-bodied adult who refuses to work because his family has provided for him, the difficulty might be partially met by the radical abolition of the right of inheritance, which is advocated from time to time.[12] But the abolition might not add as much to the labor incentives of the children as it would subtract from those of the parents. Alternatively, refusal to work, in general, might be made a crime.

Finally, in literal compliance with the constitutional injunction, controls could be devised to make the right to consume depend on proof of having worked. The goods subject to the system might be made purchasable only against money-plus-labor vouchers. But that would entail important economic and administrative difficulties, it would require some important theoretical backtracking, and it would sadly blur the petty-bourgeois vision of prosperity that the Khrushchev regime has been holding out to its citizens.

The case of the affluent wastrel, then, is the meeting point of several colliding Soviet ideals. No wonder the readers of this journal were at some pains to draw a comprehensive diagram of the scene of the accident.

[11] "We will have people who are not inclined to devote their abilities to the people, to society, to the cause of the struggle for communism. Some of them announce brazenly that they have no abilities, but only needs. Those are parasites and do-nothings. They are a tiny number, but they exist. If you ask someone like that whether he is for or against communism, he will say, 'I'm for it.' Sure. Communism has already given him or will soon give him everything he needs in life: housing, clothing, food, education, medical service. Does such a man have it good? He does. And as for the struggle, let others struggle. Daring, gusto? That's for enthusiasts. Such is the life credo of those people. When you meet them you feel the most acute necessity of intensifying the work of education and re-education, of reforging their psychology and habits. But that is far from the whole of it . . . we ought to provide a tighter civic supervision over consumption and give collectives the right to demand an accounting from individual citizens as to the sources of their income." Firsov, secretary of Dzerzhinsky party borough committee, speaking at a Leningrad party conference; see *Kommunist,* No. 14, 1961, p. 70.

[12] ". . . The right of inheritance . . . puts the children in a position in which they cease to be materially interested in labor. . . . Can one really imagine a man of our society, without labor? It must be said frankly that the right of inheritance is a survival of the past in our Soviet law. The capitalist is interested in an heir, to whom to transmit his 'business,' to whom he will bequeath the continuation of the work of robbing the toilers. In our society the road is open to everyone to increase his own welfare by his own toil. The outdated principle of inheritance creates conditions for the appearance of ever newer parasites, do-nothings, hooligans and drunkards, and in some parents generates a striving to 'pile it up,' to secure 'an easy life' for their children in the future.

"The parents have labored honestly. The state has rewarded them in accordance with their labor. The children have no right to the property of their parents. Children, in the event of their parents' death, ought fairly to be accorded a stipend till the end of their schooling and afforded the prerequisites for a normal life. But . . . to make them the owners of all that their parents earned, is senseless and wrong. It contradicts the spirit of our time. . . ." P. Filonovich, "Pravo lezheboki" (The right of an idler) *Komsomolskaia pravda,* April 10, 1963.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Replies from Readers

FROM THE EDITORS: *Below we reprint six of the close to 40 letters we received concerning the case of Adolf Yosifovich Yutson. We have consulted with Professor Lipson on the selection, but the final decision is, of course, entirely our own. Only one of the letters, in our opinion, comes close to answering our questions accurately, if not exhaustively—that of Mr. Jamgotch. None of the other answers received quite comes to grips with the essence of the case—its legal aspect as well as its wider moral and social implications. The legal aspect is, of course, embodied in the unique nature of the Soviet "anti-parasite" laws. The wider issue, as Mr. Lipson's article argues so convincingly, is what has come to be called "the struggle between generations"—a phenomenon which has emerged most conspicuously in recent literary controversies in the Soviet Union, now terminated effectively by Khrushchev's speech of March 8, 1963. Yet this phenomenon is obviously not restricted to literature and the arts alone. To quote Mr. Lipson: "If the revolt of the young were only a political opposition, the regime could apply to it some of the lessons learned in sixty years of battle, before and after the October Revolution. But how shall the aging warriors combat the rebellious apathy of their own progeny? . . . The anti-parasite laws show one way of trying to turn this tragedy into melodrama."*

On what basis, then, the reader may ask, have we selected the other five letters? The answer is that while the authors do not address themselves, in our opinion, to the essence of the matter, they all have something relevant and cogent to say. Mr. Wise, for instance, does not refer to the "anti-parasite" laws, yet his remarks on the difference between "status" and "crime" strike us as very relevant indeed. And while Mr. Waltz is whimsical in maintaining that Yutson was found "guilty of eating in direct violation of the provisions of the highest law of the land," who can question the chilling truth that lies behind these words? Or, to take an altogether different example, Mr. Razvi's reply is clearly not exhaustive, yet in his casual remark that "one of the fundamental freedoms of man has been seen in Yutson in an exaggerated form" there is wisdom and subtlety which will probably be lost on Soviet jurists and philosophers. It is for observations such as these, then, that Messrs. Wise, Shipton, Walz Sedwick and Razvi are each awarded a copy of J. V. Stalin's Problems of Leninism—*a book whose spirit comes close to that which permeates much of Soviet legislation today.*

One final comment seems to be in order: Many of our correspondents, as Mr. Lipson points out and as the letters below demonstrate, commented on the ostensible similarity between the law applied in the Yutson case and laws—such as vagrancy statutes—in many American states and Great Britain. That basic—and perhaps disquieting—similarities do exist is true. But if our discussion of the Yutson case does *have a single moral, it is that any attempt to comprehend Soviet reality that does not take into consideration its* sui generis *character is bound to end in misunderstanding. The USSR has made considerable strides in the ten years since the death of Joseph Stalin; but it still remains a* totalitarian *society, and as such it is not always subject to the same criteria of analysis as may be applied to other industrial societies, be they old-fashioned dictatorships or any of the variety of democratic systems that have arisen in this century.*

TO THE EDITORS: It is clear that Adolf Yosifovich Yutson has been punished under the provisions (implicit) of the "anti-parasite" laws of the USSR. His crime consists among other things in his living from unearned income and living a life which by Soviet standards is considered immoral. A sentence of exile for four years from Moscow will presumably bring Comrade Yutson to his senses after he has had considerable time to labor, and reflect on his purposeless life of the past.

I know of no other country which boasts similar legal concepts.

WISH JAMGOTCH, JR.
Claremont, California

TO THE EDITORS: Of course you are facetious in offering your own Lenin prize to anyone who can define the "crime" for which Yutson was sentenced. Of course you mean only to point to one of the most abominable features of Anglo-American law, the vagrancy concept, and to note that there is also a beam in our eye.

There are vagrancy laws in most every American state. It is true that these statutes have by now been crammed full with an incredible number of ignoble and eclectic prohibitions against a host of practices conceived as detrimental to the public good. But at the heart of these statutes is the idea of economic criminality, the idea that one who is able to work but who designs to exist by the labor of others is an enemy to the commonwealth.

This is not to say that Yutson would be prosecuted in every American state. We have made the vagrancy laws even more contemptible by selective enforcement. It is to say, however, that there are some forty-six states in this

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

country, presumably civilized, which have written into their statutes a legal concept under which Yutson's conduct would flatly fall. The Florida Statutes (sec. 856.02), for instance, make punishable "persons who neglect their calling or employment, or are without reasonably continuous employment or regular income and who have not sufficient property to sustain them, and misspend what they earn without providing for themselves or the support of their families, persons wandering or strolling around from place to place without any lawful purpose or object, habitual loafers, idle and disorderly persons, persons neglecting all lawful business and habitually spending their time by frequenting houses of ill fame, gaming houses or tippling shops, persons able to work but habitually living upon the earnings of their wives or minor children, and all able bodied male persons over the age of eighteen years who are without means of support and remain in idleness." Adolf Yosifovich Yutson would come within any number of the supposedly specific categories limned by this section.

In spite of these statutes, you are right in doubting that Yutson committed a crime. A crime is an act, but these laws punish status. At that, it is a status incapable of precise definition. The sham of punishing status is not limited to the vagrancy laws; the sexual psychopath laws which disgrace the statute books of far too many states, sometimes the habitual offender laws, and perhaps even the technical concept of juvenile delinquency, are further instances of our remarkable penological excesses at the expense of legality, much akin to the generous reception of security measures in the early Soviet penal codes and, nowadays, in the People's Courts.

What makes Yutson's case appear particularly atrocious in your account is that it abandons the principle that no conduct should be punished without a prior statute making it unlawful and setting out a punishment. This principle reduces, I think, to two doctrines: (1) that law should not operate retroactively, and (2) that the judiciary should not take over the legislative function of defining crimes and punishments. Whenever crime is conceived, not as a series of legislatively defined acts, but as a state of dangerousness to society, the principle of legality gets trampled down. Soviet penology has run readily enough to the definition of crime as a state of special danger to society—the so-called collective principle—in spite of all the doublespeak about "socialist legality." But the fact is that we do the same, in effect, whenever we make punishable a vaguely defined status. The fact is that the ill-conceived notion of criminal law as nothing more than a secondary measure of defense against conditions of social dangerousness is on the rise in the West, and that much aid and comfort has been given to this notion by the existence on the American statute books of such unfortunate inventions as the vagrancy concept.

EDWARD MARTIN WISE
Forest Hills, New York

TO THE EDITORS: I have read with interest the paragraph entitled "What is a Crime?" in *Problems of Communism*. It is perhaps a little difficult to decide whether or not the request you make of your readers is genuine, and it is indeed a little difficult too to decide whether or not the "law report" itself is not a figment of the imagination—it should be, but unfortunately one must take it that it is factual.

Sir William Blackstone in the fourth volume of his *Commentaries on the Laws of England* states that a crime is "an act committed or omitted in violation of a public law forbidding or commanding it." This of course begs the question as to what is a public law. He also says that a crime is "a violation of the public rights or duties due to the community considered as a community." Sergeant Stephen in reconstructing the *Commentaries* gives this definition: "A crime is a violation of a right considered in reference to the evil tendency of such violation as regards the community at large." There are of course many other definitions or attempts at definitions and possibly one could quote them *ad infinitum*, but it does not need very much imagination or ingenuity to fit these definitions to Yutson's "crime," unfortunately. (In this country Parliament is supreme, and Acts of Parliament cannot be declared unconstitutional. Therefore theoretically Yutson's "crime" could be enacted as a crime quite easily. A sobering thought?)

From considering the general one must consider the specific. The "crime" could be an offense against the safety of the (Communist) State, which is a recognized legal principle, or an offense against the Public Peace.

However, there is of course the Vagrancy Act of 1824 which provides penalties for "idle or disorderly persons" who in a second conviction become "rogues and vagabonds"! The penalty on a first offense, however, is only 14 days if commitment is by one justice, or otherwise one calendar month, with respective alternative fines of 20 shillings or five pounds. Not exactly comparable with a sentence of 4 years even if one can assume Yutson's actions would in fact fall within this Act's provisions, which is not likely! (Incidentally second conviction as a rogue or vagabond makes one an incorrigible rogue!) Probably the moral is that the administration of justice depends on its administrators?

SIDNEY L. SHIPTON
London, England

TO THE EDITORS: With respect to the Case of the People *vs.* Adolf Yosifovich Yutson, I should like to submit the following opinion:

1. Adolf Yosifovich does not work. Mr. Lavrentiev points out as "the essence of the case" the fact that "Yutson has been unemployed for several years."

2. The Lavrentiev account further supports the conclusion that Adolf Yosifovich eats. He is "tall and broad

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

shouldered" and of such a physique that "one automatically thinks: 'Such a person yields large quantities of production.'" Moreover, he "haunts the thresholds of restaurants, [and] drinks heavily."

3. Chapter I, Article 12 of the Constitution of the USSR is pertinent; it reads, in part, as follows:

"Work in the USSR is a duty and a matter of honor for every able-bodied citizen in accordance with the principle: 'He who does not work, neither shall he eat.'"

4. In view of the foregoing, it is my opinion that the court was compelled to find the accused guilty of eating in direct violation of the provisions of the highest law of the land. This is the precise nature of his crime.

5. In Chapter I, Article 15 of its constitution, the Rumanian People's Republic boasts the identical legal concept.

JOHN D. WALZ
Syracuse, N. Y.

TO THE EDITORS: I was most interested in the competition announced . . . in your magazine. You offer a prize for two requirements:

(1) Specifying the precise nature of the crime for which Yutson was sentenced.

(2) Pointing to any other civilized country boasting similar legal concepts.

As to (1), this is fairly clear. Yutson is stated to have stolen money and valuable articles from his parents. Most civilized countries, I believe, have legal codes prohibiting theft. It seems from the description of the case that Yutson's refusal to work was also a criminal offense. Strange as it may appear, Britain (which I take to be a civilized country), also punishes refusal to work, not with exile but with imprisonment. I enclose a cutting from *The Guardian* of January 26, 1963, which makes it quite clear, I hope that you will print it.

I am looking forward to receiving a bound copy of *Problems of Leninism,* by J. V. Stalin. I hope that it will be suitably inscribed, since I have a copy already. Also I hope that the wrapper will be clearly marked as containing a prize from a U. S. Government agency, in case your Customs people seize it as obscene or something. Please do not fail to dispatch it. The United States Government, as your President Kennedy reminded the world last October, keeps to its word.

PETER SEDGWICK
Liverpool, England

P.S.: On reflection, it does not appear that the concepts behind the Yutson and the Higgins cases were identical. Higgins, despite the newspaper headline, was not sentenced for refusal to work but for refusal to support himself and his family. It would have been all right if he had been in receipt of *un*earned income, *i.e.,* dividends, rent, *etc.* But the two cases are basically very similar.

(The clipping Mr. Sedgwick sent from *The Guardian,* headlined "Sent to prison for refusing to work," read in full as follows: "James Higgins (22), an Irishman, refused to work since coming to England with his family last May, and they had existed on national assistance. This was stated by Mr. H. Nuttall, prosecuting, at Rochdale yesterday. Higgins, of Drake Street, pleaded guilty to three summonses of not supporting himself, his wife, and child. He was sent to prison for six months."—Ed.)

TO THE EDITORS: The answer to your question "What is Yutson's crime?" is as below:

One of the fundamental freedoms of man has been seen in Yutson in an exaggerated form, which is no crime. As it tends to cut across one of the slogans on which communism thrives, that creed has retaliated and crushed individual liberty. If any crime has been committed, it is by the trying court and not by Yutson.

N. A. RAZVI
Lahore, Pakistan West

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Disillusionment within the Ranks

By A. A. Cohen and C. F. Steffens

FOR THE FIRST TIME since coming to power, the leaders of the Chinese Communist Party (CCP) have been forced to cope with the emergence of widespread disillusionment and demoralization in the ranks of the party. Essentially these conditions stem from the failure of the ill-conceived and grandiose economic policies initiated by Mao Tse-tung and the leadership in 1958.[1]

Until that spectacular failure, the CCP had for the most part experienced success in its major domestic programs. Although there had been occasional setbacks during the period 1953-57, Mao and his lieutenants had been fairly prompt in taking new initiatives to get the economy moving forward again, and the reverses had been relatively minor and short-lived. Not so the disastrous reversal that resulted from the fanaticism displayed by Mao (and certain of his subordinates) in 1958. Mao has not moved forward since then: rather than advancing another bold new plan, he has been attempting to rectify the mistakes of past policy and, above all, to overcome the mood of cynicism, doubt, and dissatisfaction that has become evident among the party cadres as a consequence of the harsh experience of the past several years.

The Price of Economic Folly

The present state of demoralization in the ranks of the CCP is hardly surprising. For four years now the party cadres and the people at large have seen and felt hunger and privation as a result of the regime's misguided economic policies. Whereas five years ago China was able to export part of its agricultural production without great hardship to the people, the regime has been compelled in the last few years to import large quantities of food in order to avert famine, and even so malnutrition has been serious and widespread. Meanwhile, great segments of China's industrial plant continue to lie idle, and some of it—erected too hastily, with little thought for economic efficiency, during the Great Leap Forward of 1958—probably will never operate again.

After having promised greater economic rewards under the aegis of the Great Leap, the regime has since had to change its tune and call upon the nation to accept continued privation and self-sacrifice. This has caused grumbling among party activists, now clearly unhappy with the blundering of their leaders. The organ of the Peking Municipal Committee of the CCP, in early 1962, gave the following indication of the kind of complaint being heard among the party cadres:

> **If we want to engage in revolution, if we want to be Communist Party members, we will have to . . . suffer and accept the worst of it without keeping an account [of our sacrifices]. However, some comrades raise the issue that "in the war era . . . sacrifices were natural, but today we are engaged in construction and still are getting the worst of it."** [2]

A month earlier the same newspaper deplored the fact that some party members were showing reluctance to heed the leadership's appeals for patience and expressing a preference "to enjoy the fruits of their labors now and suffer later." [3]

The party leaders have been aware of the ferment in the ranks for some time and almost certainly recognize

Messrs. Cohen and Steffens are American students of Communist China. Mr. Cohen's "Peking's Picture Puzzles" appeared in the July-August 1962 issue of this journal.

[1] These policies have since been referred to by the CCP as the "three red banners"—the so-called "General Line," the people's communes, and the "Great Leap Forward."

[2] *Pei-ching jih-pao* (Peking), January 8, 1962.

[3] *Ibid.*, December 11, 1961.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that the "explanations" they have given for the severe economic setbacks of recent years—*i.e.,* natural calamities augmented by "mistakes and shortcomings" in the implementation of party policies, but not in the policies themselves—have failed to gain acceptance. If the policies of the Leap were intrinsically correct, as the leadership continues to maintain, then why has the regime been steadily backtracking away from them? It is only natural that a great many party members should be cynical on being told, in 1962 and 1963, to pursue policy lines almost 180 degrees opposite to those of 1958.

There are signs, too, that the drastic shifts in economic policy during the past few years have generated confusion and uncertainty among the party cadres. In the communes, for example, the decision to transfer production authority from the brigades to the smaller production teams confused the cadres of both units as to their respective spheres of responsibility, and reports in the mainland press have cited cases in which this confusion resulted in actual reductions of output.[4] Moreover, uncertainty about the division of responsibility between production brigades and teams, together with continuing physical privation, have heightened disillusionment and cynicism among the rural cadres to a point where, judging from various official intimations, the wisdom of Mao himself appears to have been called into question.

Efforts to Revive Morale

Early in 1962, the CCP initiated a long-term campaign to combat the deterioration of party morale. Starting in February, the party's main theoretical organ *Hung Ch'i* (Red Flag) published a series of editorials and articles that were clearly designed to reassert discipline and revive the "fighting stamina" of the CCP in the face of prevailing "difficulties." In its leadoff editorial in the issue of February 10 (entitled "Strengthen the Fighting Stamina of the Party"), the journal indirectly criticized the erosion of morale and rebuked doubters in the ranks by invoking Liu Shao-ch'i's characterization of the CCP as "great, glorious, and correct." This insistence upon the "correctness," and especially the "greatness," of the CCP became a keynote of the new campaign.

The campaign itself shed further light on the nature and extent of the ferment within the CCP and on occasion produced some rather striking indications that the party leadership as a whole, as well as Mao himself, had become targets of criticism. A speech delivered by T'ao Chu, first secretary of the Central-South Bureau of the CCP, at an assembly of party cadres on July 1, 1962, the 41st anniversary of the founding of the party, was a case in point.[5]

Again quoting Liu Shao-ch'i to the effect that the CCP was a "great, glorious, and correct Marxist-Leninist party," T'ao dwelt at great length on why CCP members "should feel proud of the party." Such an appeal in itself struck a highly unusual note in Chinese Communist pronouncements since 1949 and strongly implied that some party members had become doubtful of the wisdom of the CCP's course and no longer shared this pride. Even more surprising, however, was T'ao's implicit admission that errors in top-level judgment had played a part in causing the economic reverses of recent years. "It would be unimaginable," he said, quoting Lenin, "that, in carrying out such an undertaking as the building of socialism, we should not have run into difficulties, mistakes, and *failures in policy.*" (Italics added.) T'ao thus went beyond the standard official explanation of the post-1958 setbacks as due merely to "mistakes in work" —*i.e., in policy implementation*—to acknowledge "failures in policy" itself—a realm of exclusive leadership responsibility. (This was not the first time that T'ao had been unusually outspoken on the same subject. In mid-1959, he had asserted that "no great man can be consistently correct" and that a leader who finds his policy encountering difficulties should quite properly "throw away his original formula."[6])

Notwithstanding his admission of policy errors, T'ao went on to insist that the CCP owed a great deal to the personal leadership and guidance of Mao Tse-tung:

> **It is easy to understand that it would have been impossible for the Chinese revolution to succeed had it not been for a party which . . . grew up at the hands of Mao Tse-tung and derived its guidance from the thought of Mao. Aided by their long experience in revolution and construction, the *Chinese people found their own great leader, and they feel* infinitely proud and happy. We, as members of the Chinese Communist Party, should of course feel even more proud of our great leader.**

The defensive tone of T'ao's remarks—and especially his admonition that CCP members, much more than the nonparty populace, ought to be proud of their leader—strengthened the implication left by his speech that internl party criticism had touched the person of Mao himself. T'ao's apologia and other elaborate attempts by CCP propagandists to portray Mao as always careful

[4] *Nan-fang jih-pao* (Canton), January 10, 1962, reported a case in which a brigade relaxed its direction of production because the brigade cadres "believed that authority had already passed down to the production team." For another account of confusion and "misunderstanding," see *ibid.,* January 24, 1962.

[5] Published in *Nan-fang jih-pao,* July 3, 1962.

[6] *Hsin-hua Pan-yueh K'an* (Peking), No. 13, July 1959.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and deliberate in deciding policy matters gave evidence of a concerted effort to combat such criticism.

Soon after T'ao's speech, another article in *Hung Ch'i* (July 16, 1962) testified to the party leadership's mounting concern over grumbling and discontent in CCP ranks. Urging party members to steel themselves against defeatism in the face of "difficult tasks," the journal declared:

The process of building socialism and communism is one of ceaseless struggle against difficulties. Lenin said: "Whoever is afraid of the difficulties in socialist construction will be overcome by those difficulties; whoever becomes pessimistic or bewildered because of such difficulties is not a socialist. . . . If you are afraid of the wolves, do not enter the forest." . . . Thus, a Communist Party member must not relax his efforts because of difficult tasks and complex circumstances. On the contrary, the greater the difficulties, the more we are called upon to overcome them with a stubborn fighting spirit.

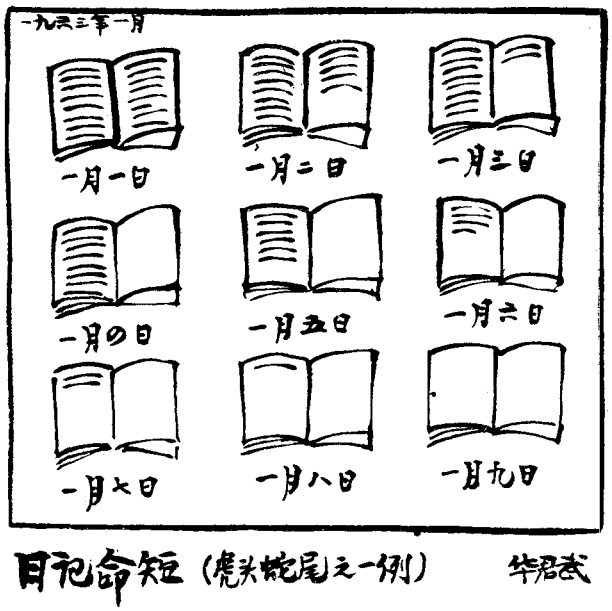
The journal went on to complain of a waning of the spirit of self-sacrifice that had animated the CCP in the long years of revolutionary war and flatly declared that all party members had better face up to the hard fact that China's socialist construction had to start from a "foundation of poverty." Only inner-directed, "self-cultivated" party members with "fighting stamina," it added, could stand up under this grueling task.

"Self-reform" and the Role of Liu

Hung Ch'i's plea was shortly followed by indications that the CCP leadership was initiating a positive program for the "self-reform" of party members. But all the evidence suggested that the program was not to take the form of a full-fledged Maoist "rectification" campaign, presumably because the leadership feared that this more rigorous kind of action would only further antagonize the already demoralized cadres, besides interfering with production. Instead, it promised to be a relatively mild affair, with party members to be brought back to faith in the leadership and its policies by means of voluntary "self-cultivation" rather than by a search for political errors and large-scale dismissals from party office.

The program was ushered in on August 1, 1962, by the simultaneous republication in *Hung Ch'i* and the central party daily *Jen-min jih-pao* of the full text of an old work by Liu Shao-ch'i. Entitled "How to be a Good Communist," the work consisted of a series of lectures originally delivered to Communist cadres at Yenan in July 1939 and recently revised by Liu. On August 7, in a special notice about the work, the Peking Municipal Committee of the CCP explained that one of the principal objectives of republication was "to strengthen the revolutionary spirit and determination of all party members to overcome hardships of every kind." The revamped lectures were subsequently made required study material for party committee members at all levels below the top and became a textbook for the self-reform program of the CCP.

Apart from its relevance to the morale crisis, the resurrection of Liu's work was interesting on other counts. It marked the first time that the writing of one of Mao's lieutenants had been accorded such prominence and wide dissemination. It also marked the first republication of a work written years before the party attained power by anyone other than Mao himself. Both facts indicate a significant rise in Liu's stature, although he has long been regarded as Mao's chosen successor. On the other hand, Liu's revised work showed signs of increased deference to Mao, suggesting a deliberate intent on the author's part to profess his personal subordination to Mao's authority. Thus, Liu inserted many quotations from Mao—some of them in poor context—which had not been in his original Yenan lectures, and he also left out a statement he had made in the earlier text to



Caption: "Short-lived Diary: A Case of Tiger's Head, Snake's Tail." (Diary entries labeled January 1st through 9th, 1963.)

—*Kuang-ming jih-pao* (Peking), Feb. 16, 1963.

(Some months ago the Peking regime launched a campaign exhorting young Communists to perfect their party spirit by keeping an actual or mental diary of "revolutionary deeds." The cartoon above, poking barbed fun at backsliders, suggests that the campaign was less than successful.—Ed.)

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the effect that in the CCP "we . . . do not idolize anybody." [7]

Nevertheless, the prominence given to Liu's republished work reinforced other mounting evidences of his increased stature in the Chinese leadership. Liu's name now appears side by side with Mao's much more frequently than in the past. And whereas formerly only Mao's name was ever juxtaposed to those of Marx and Lenin in CCP materials, Liu's now is frequently added to this august company.

In his revised treatise, Liu addressed himself directly to the reasons why it was necessary for members of the party to learn once again how to be "good Communists." "Some comrades," he said, ". . . do not see the bright side of the party; they consider that nothing in it is good. Consequently, they become pessimistic and disappointed and lose their confidence in the party." But towards such errant comrades Liu's tone throughout was one of marked tolerance and moderation. His mildness appeared deliberately designed to reassure the party cadres that they need not fear the harassment of a new "rectification" drive, and that there would be no headhunting of those whose "honest" mistakes in attitude or work needed correction.[8] Thus, for instance, in describing the qualities of CCP members, Liu said:

Towards their own comrades and brethren they "repay injury with kindness," and they help comrades to correct their mistakes without any thought of revenge.

LIU'S ANXIETY TO project an impression of moderation was reflected in his curiously one-sided choice of quotations from Stalin. In 1939 Liu had made reference to Stalin's relatively moderate discussion of intra-party struggle in *Again on the Social Democratic Tendency of Our Party* (1926), and the 1962 revision repeated these references while failing to mention the Soviet dictator's subsequent and much harsher remarks in the *Short Course* (1938). Thus, in effect, Liu invoked the most moderate statements ever made by Stalin on the handling of dissident views within a Communist party, and passed over his later attitude of implacable hostility. Indeed, many anti-Stalinists in the Communist bloc today might well get along with the Stalin presented in Liu's text. (Liu's omission of Stalin's later remarks on dogmatists may also have reflected, in part, Chinese sensitivity to Khrushchev's charges that the Peking leaders have "converted Marxism into lifeless and meaningless formulas" and displayed "discrepancies between word and deed.")

The same restraint was evident in Liu's remarks on the question of whether mistaken comrades ought to be expelled from the party. Here, the 1962 version was even more moderate than the 1939 original, as evidenced by the addition of the following points: (1) If a comrade does not persist in his error, "then the least bit of progress made by him must be accepted, and he should not be penalized." [9] (2) According to the "left-opportunists" who demand vicious intra-party struggle, "the development of the party . . . can be magically improved only by relying on the weapon of attacking 'straw men' "; but "this turns dignified party struggle into a child's game." (3) Towards mistaken but honest comrades, the party's attitude is one of "love and protection" and sympathetic understanding.

This conscious emphasis on helping and protecting party members who had fallen into error, rather than chastising them for their mistakes, was a clear indication that Liu's work was intended as a call for a more or less "voluntary" self-recultivation of the party cadres, and not as the signal for a severe disciplinary purge. In order to stimulate and guide the process of regeneration, those passages of Liu's discourse setting forth "correct and proper" methods of criticism and reform were widely publicized and discussed in press commentaries.

Mao's Disloyal Opposition

The ensuing months, however, brought forth evidences that the CCP leadership was becoming concerned over a more serious internal problem than mere pessimism, disillusionment, and grumbling in the party ranks—namely, the emergence of clear-cut political opposition to Maoist policies from certain elements of the party. Even more significant were official intimations, as described later, which linked this opposition with "mod-

[7] *How to be a Good Communist,* English-language edition, Peking, Foreign Languages Press, 1952.

[8] Warnings had appeared in some party journals late in 1961 that severe methods of criticism were badly demoralizing already apathetic party members. An article in *Nan-fang jih-pao* (December 20, 1961) complained that leading cadres had aroused the resentment of basic-level cadres by criticizing them too harshly, and it urged the former to criticize in the manner of "a gentle breeze and mild rain" (Mao's phrase). It also warned against "applying pressure," "magnifying mistakes," and turning criticism into a vulgar hunt for political defects. Another article said that such methods caused "passivity in work."

[9] It should be noted, however, that the writings of both Liu and Mao on general guidelines for disciplinary action within the party have always drawn a distinction between those who accept criticism of, and correct, their mistakes and "diehards" who reject such criticism and willfully insist that they are right. Liu's contributions on the subject appeared in "How to be a Good Communist," "On Inner-Party Struggle," and "On the Party."

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ern revisionism"—the charge customarily levelled by Peking against Khrushchev and his policies—thus implying that Mao's critics at home were deriving inspiration and encouragement from the increasingly bitter Sino-Soviet conflict.

During August and September of 1962, this new concern of the Chinese leadership found expression in several speeches by Foreign Minister Ch'en Yi which placed a curious stress on "subversion" within China. It assumed somewhat clearer shape in the decisions and pronouncements of the CCP Central Committee's Tenth Plenum, which met from September 24 to 27 under the chairmanship of Mao and deliberated on both internal policy issues and the ideological conflict with the Soviet Union.

As announced in the communique made public after the meeting,[10] one of the Plenum's most important decisions was "to strengthen the work of the Party Control Commissions at all levels" and to elect additional members to the top-level Central Control Commission. The commissions are empowered by the CCP Constitution "to deal with violations of the Party Constitution, party discipline, Communist ethics, and state laws and decrees by party members," [11] but since their establishment in 1956 they had played a relatively minor role in party affairs. The Plenum's decision strongly suggested that their role was now to become more important, and that the records and actions of all party members would henceforth be subjected to much closer scrutiny with a view to ferreting out incompetents as well as those inclined to be critical of the leadership and its policies. The action did not necessarily signify that a wholesale purge of the party apparatus was in the offing, but it did suggest that the ground was being prepared for a selective weeding-out of cadres who persisted in their "mistakes."

No announcement was made of the additional appointees to the Central Control Commission, but within two months after the Plenum's decision at least two provincial party organizations (in Kiangsu and Hopei) were reported to have added new members to their Control Commissions, and similar action was probably taken elsewhere.

The leadership's intention to tighten its grip on the party was also indicated by the Tenth Plenum's election to the Central Committee Secretariat of three new members all of whom have long reputations for ideological purity and intransigence. They were: Lu Ting-yi, an alternate Politburo member, who has had a major role in every CCP "rectification" campaign since 1942; K'ang Sheng, also an alternate Politburo member, with a long background of secret police work and recently active in maintaining liaison with other pro-Peking Communist parties; and Senior General Lo Jui-ch'ing, formerly Minister of Public Security and currently chief of staff of the People's Liberation Army. Simultaneously dropped from the Secretariat were General Huang K'o-ch'eng, formerly PLA chief of staff under Marshal P'eng Te-huai (removed as Defense Minister in late 1959), and General T'an Cheng. Lo was an obvious replacement for Huang, who had not been active in his Secretariat post for some time, probably because of his association with the purged Marshal P'eng. T'an Cheng's removal was probably due to the failure of the Secretariat department under his direction to put a stop to criticism of the party within the army, but his continued public appearances would seem to indicate that he has not fallen into total disgrace.

THE CC SECRETARIAT—whose head, Secretary-General Teng Hsiao-p'ing, is one of the key figures in the Chinese Communist leadership—is the central executive arm of the party responsible for overseeing the implementation of Central Committee and Politburo decisions. The new appointments, as well as the expansion of the Control Commissions, suggested that the top leadership was trying to correct deficiencies in policy implementation resulting from the earlier decentralization of control which had been a feature of the Great Leap policies of 1958-59. The Ninth Plenum of the Central Committee, in January 1961, already had adopted certain organizational changes in an effort to restore centralized control,[12] but these proved inadequate to remedy the situation.

Articles published in leading party journals in the spring of 1962 had underlined the regime's continuing concern over improper execution of its policies at subordinate levels and indicated its intention to impose "centralism" more vigorously. Thus, *Jen-min jih-pao* (April 3, 1962) sternly warned cadres who "look upon their own area of work as a 'small kingdom' in thought and action" that they were "violating the principle of centralized and unified leadership by the party." It stated further:

[10] *Jen-min jih-pao,* September 29, 1962.

[11] Chap. VII, Art. 53, *Constitution of the CCP,* Peking, 1956.

[12] The Ninth Plenum established six regional bureaus of the Central Committee in order to ensure more effective central control over policy implementation (especially economic) at the provincial level and below. The regional bureaus, headed by senior party officials, were charged with seeing that central directives were properly executed by the provincial party committees, which had been the focal point of "flexible" interpretations of CC policy.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Local party organizations . . . cannot make any decisions, directives, or provisions, which violate the spirit of the Central Committee's policy. If a party member discovers that the decisions, directives, or provisions of a higher-level party organization contradict the policy of the Central Committee, he has the obligation to report the matter to leading organs of the party up to the Central Committee.

Similarly, the Canton *Nan-fang jih-pao* (May 2, 1962) ascribed local deviations from party policy to "dispersionism" and "departmentalism," defining these evils as follows:

Dispersionism is a manifestation of the lack of organization and discipline, characterized by free action in the sphere of politics and disrespect for the leadership of the party Central Committee. The main feature of departmentalism is caring for the interests of one unit alone instead of the interests of the whole.

The newspaper flatly rejected the "pretext" put forward by local cadres that "stressing centralized and unified leadership would stultify regional activism," and it asserted that the "least sign" of regional obstructionism would be firmly "rectified" by the party. It was this further "rectification" that the action taken by the Tenth Plenum in September 1962 was designed to accomplish.

Moscow and Chinese "Revisionism"

No less noteworthy were the hints contained in the Plenum's final communique that external, including "modern revisionist" (*i.e.,* Soviet) criticisms of Mao's "three red banners"—the radical domestic "general line," the communes, and the economic "Great Leap Forward" —were fomenting internal party opposition to the Maoist leadership. The communique strenuously insisted that "even when confronted by serious difficulties, both at home and emanating from abroad, the broadest masses and cadres of our country have always firmly believed" in the correctness of the "three red banners" and remained steadfast in their belief in spite of imperialist and reactionary "gloating" over China's difficulties and "wanton vilification" of the banners by "revisionists" in international Communist ranks. The Plenum's statement further accused China's enemies at home and abroad of resorting to "subversion within our state and party"—a charge that could easily be interpreted as implying Soviet attempts to utilize Chinese failures in domestic policy as a means of discrediting Mao within the CCP.

These implications of Soviet meddling in internal CCP affairs were reinforced by the fact that the communique, in calling for resolute opposition to "various opportunistic ideological tendencies within the party," alluded back specifically to the Central Committee's

A Chinese Emile Coué?*

What man experiences, for the most part, is inseparable from the fortunes of his country. When the nation is surrounded by darkness, can the individual avoid misfortune? In seeing out the Old Year and ringing in the New, if you cannot be enthusiastic, then you are only a reluctant conformist observing a formality and must even be a caricature of a man. But, in greeting the New Year, you also can transform your feelings . . . and have a heartfelt desire to reminisce on developments . . . in the nation and on the things that were sent from heaven in 1962. The more you ponder, the more enthusiastic you become, and you lift your glass to toast the New Year with high hopes. At first the road ahead seemed endless, and, thinking of the past year, you felt anxious about the year to come. But now, thinking of the past year makes you believe deeply that 1963 can be brighter, that nothing will do but to celebrate its arrival. What a great change this is! What a beautiful change!

Thinking of the past year, I recall that flash of light, that statement more beautiful than poetry: "Tested in all these struggles, we are not ashamed to call our country, our people, our armed forces, and our party 'great'." After the communique [of the Tenth Plenum] was issued, I do not know how many times I read this statement, thought about it, and spoke about it. Its brilliance illuminated my heart, illuminated the past thirteen years, and the next 100,000! It nourished my spirit because it is real, as rivers and mountains are real. It buoyed up my courage, but did not make me selfish. It called on me to be determined, to become one with the people whom we are not ashamed to call "great."

Only to think of the accomplishments of 1962 is enough to prove how true this "greatness" is. . . . Each of us, from his own work and life, can draw additional proof . . . sufficient to show that the party is truly a great party, and our people a truly great people!

—From a New Year's article by Lao She, in Jen-min jih-pao (Peking), Jan. 2, 1963.

**Emile Coué was a French pharmacist and psychotherapist of the 1920's, whose prescription for curing human ailments by auto-suggestion became a fad in the days of the Great Depression. It consisted of repeating to oneself daily the formula, "Every day, in every way, things are getting better and better."—Ed.*

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Eighth Plenum of August 1959, at which (it said) "attacks by right opportunism, *i.e.,* revisionism" had been victoriously smashed and "the party line and unity of the party safeguarded." This allusion clearly suggested that the recent opposition has been of the same nature as the defeated "revisionist" attacks of 1959, which Chinese Communist sources subsequently alleged to have had "international revisionist" *(i.e.,* Soviet) inspiration.[13]

Since the Tenth Plenum, the Chinese leadership has continued to show extreme sensitivity on the subject of internal opposition, and has hinted that the Russians must bear some of the blame for China's economic difficulties. In its October 1, 1962, issue commemorating the thirteenth anniversary of the Chinese People's Republic, *Hung Ch'i,* for instance, addressed itself to the idea propagated by the regime's "enemies" in 1949 that the CCP knew "only how to fight and knew nothing about construction." China's progress from 1949 to 1958, the journal insisted, effectively refuted this claim and proved that the CCP was "good not only at destroying an old world but also at building a new one." From 1959 until the present, *Hung Ch'i* went on, various enemies had "gloated over" China's difficulties and "spread rumors" that "the three red banners would be withdrawn"; but to their chagrin the CCP Central Committee had formulated policies which "enriched" the content of the banners, enabled the party to "overcome" the difficulties, and brought about a "new situation of victory" in construction. The journal failed, however, to elaborate upon this alleged "victory," which in fact has been no victory at all, but rather a holding operation against further economic defeat.

The Dilemma of the CCP Leadership

Today, the CCP's defense of its policies for the building of socialism in China rests upon the flimsy ground of denying the responsibility of the leadership for the grave economic failures of recent years, while everyone knows that those failures stemmed above all from the mistaken nature of the policies formulated at the center. In the last analysis, it is a defense of Mao himself, for he has been inextricably associated with those policies.

To what extent the leadership has succeeded in dispelling the feeling inside the party that Mao blundered is a matter of conjecture. There still may be considerable cynicism in the ranks despite the regime's efforts to boost morale. Already when Mao relinquished his post as Chairman of the Chinese People's Republic at the end of 1958, major mistakes in policy were visible. In Eastern Europe in 1956, Mao had first encouraged revisionist thinking, only to return to a hard Stalinist line after the revolt in Hungary. In China in 1956-57, he had initiated the "Hundred Flowers" policy and then had to abandon it in mid-1957 when the policy blossomed into an outburst of violent anti-party criticism. In 1958 he had tried to interdict the offshore islands in the Taiwan Strait, and failed. These failures were followed after 1958 by the still greater catastrophe brought on by the policies of the communes and the Great Leap Forward. And many in the CCP today must also have doubts about the wisdom of a foreign policy which, far from achieving Communist China's acceptance as an equal in the international community, has instead isolated her from her most powerful Communist allies, who by definition should be her closest friends and whose aid China needs to hasten the modernization of her economy and military power.

In spite of the patent failure of Mao's "three red banners," the leadership has not withdrawn the slogan—and probably cannot do so as long as Mao remains alive. In practice, to be sure, it has modified the "banners"—or "enriched" them, as *Hung Ch'i* euphemistically put it—to a point where they bear little resemblance to the original policies, but it cannot scrap them in name without openly confessing that Mao was woefully wrong in 1958. This puts the CCP in the anomalous position of having to attribute any current improvement in the domestic economy, as for example in agricultural production, not to the recent more conservative and rational policies adopted by the regime, but to the continued pursuit of the "three red banners."

Thus, the communique of the Tenth Plenum noted a "slight gain" in the 1962 summer harvest and forecasted that the autumn harvest would also surpass that of 1961, thanks to the carrying through of the policies of the "banners." But there is evidence that this line fools virtually no one. *Nan-fang jih-pao* (November 10, 1962) observed that many cadres, while agreeing that party policies were indeed responsible for recent improvement in the countryside, failed to see any connection between the policies now being pursued and the original "banners." They specifically attributed the improvement to "the four magic wands"—that is, the

[13] *E.g., Hung Ch'i* (February 1, 1961) declared that in the spring of 1959 "domestic revisionists were rising *in response to international revisionism* and violently attacked the leadership of the party." (Italics added.) For other evidence of Soviet connivance in the 1959 dissension in the CCP, see D. Charles, "The Dismissal of Marshal P'eng Te-huai," *The China Quarterly* (London), October-December 1961; and D. S. Zagoria, *The Sino-Soviet Conflict,* Princeton University Press, 1962, pp. 135-38.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

party's current policies of permitting farmers' private plots, private reclamation of land, subsidiary family occupations, and rural "free markets." The journal complained that other comrades laid the improvement to the party leadership's new "laxity" towards the peasants, the "liberalization" of party policies, and the "decentralization" of authority (the delegation of authority from the commune administrations to the production teams). "About this point," it warned, "all our comrades should have no doubt. The party's successive policies concerning rural people's communes constitute a complete entity; the various concrete regulations and guidelines are interrelated and cannot be viewed separately." Such warnings, however, are unlikely to alter the cadres' view that the "banners" now exist in name only.

During the spring of 1963, it may be noted, Mao has been making unusually frequent appearances at public functions in Peking. The publicity surrounding these appearances, as well as other evidences, suggest that Mao's prolonged absences from the capital have provoked criticism among the party cadres, and that the Chinese leaders are trying to dispel the impression that Mao has not been active recently in important policy deliberations.

In any event, it seems probable that the CCP leadership will have to continue its current conservative economic policies if further agricultural improvement is to be achieved, and that "self-reform" alone will not cure the disillusionment within the party. Were the leadership to attempt a return to the actual substance of the "three red banners," it would risk undoing whatever improvement its recent concessions have achieved, reintensifying confusion and pessimism in the party ranks, and undermining again the slightly reawakened productive "activism" of the peasants.[14]

The Communist leaders must be aware of these dangers, and their awareness is doubtless an important factor restraining them—thus far—from returning to the radicalism of 1958. However, it remains to be seen whether this will be enough of a brake to keep them from seizing upon temporary economic gains (as in 1957) to embark upon new political and economic offensives, thus imposing further strains and sacrifices on the hard-pressed population of China.

[14] There has been ample evidence that CCP cadres are conscious of the dangers of returning to the economic radicalism of 1958. For instance, when the party indicated in 1961 that it would extend the policy of "unified procurement and selling" to goods previously excluded, *Nan-fang jih-pao* (November 1, 1961) reported that cadres believed this would dampen the peasants' enthusiasm to produce, and that they were saying, "Here we go again!"

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

What Price Economic Reforms?

EDITORS' NOTE: The past half-year has witnessed another of the now chronic reorganizations of the Soviet economic-administrative structure; at the same time it has seen an economic debate in the USSR sparked by a new spate of unorthodox proposals for reform and marked by an unusual degree of public participation. The two articles below address themselves to the purposes of the economists who initiated the discussion and to the questions they have raised. Professor Shaffer discusses the problem of inefficiency in Soviet planning and management as well as the remedial proposals that have been set forth. Mr. Greenslade takes a fresh look at Khrushchev's approach to economic management and concludes that the Soviet Premier's administrative theory, exemplified in the reforms of last November, is incompatible with the proposals of the economists.

Ills and Remedies

By Harry G. Shaffer

SINCE THE CONCLUSION of World War II the economy of the USSR has been growing at a rapid pace, and while the professional estimates of the specific rate of growth differ, there is general agreement that the Soviets have achieved some remarkable successes in their industrial development.[1] Yet, the Soviet planners have failed to develop anything approaching a truly efficient system of resource allocation—that is, one that would result in the maximization of output in terms of planned product mix and preference schedules.

While no economic system can ever hope to achieve the perfection of a theoretical model, Soviet economists are convinced that it is possible to improve substantially the efficiency of Soviet economic endeavors. Among the many proposals directed towards this end is the one advanced by Yevsei G. Liberman, which aims at making the profits of each enterprise both its main "success indicator" (to use a term coined by Professor Alec Nove[2]) and the exclusive base for its directors' bonuses. It is the purpose of this article to review briefly the existing Soviet system of material incentives for managerial personnel, to examine its failings, and to discuss the remedial proposals that have recently been advanced.

Present System of Managerial Incentives

It is the function of the Soviet manager to see that his enterprise carries out efficiently the tasks assigned to it by the plan. Among these tasks the fulfillment of the

[1] I am indebted to Professor Alec Nove for long discussions while the present study was in progress, for reading the manuscript, and for making valuable suggestions.

Mr. Shaffer is Assistant Professor of Economics at the University of Kansas and editor of The Soviet Economy: A Selection of Western and Soviet Views *(New York, Appleton-Century-Crofts, 1963).*

[2] Alec Nove, "The Problem of 'Success Indicators' in Soviet Industry," *Economica,* XXV (February 1958), pp. 1-13.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

output target has as a rule been considered uppermost in importance, and substantial incentive premiums await the director whose enterprise fulfills and overfulfills the *output plan.* In recent years, the *cost plan* has been given increasing attention and bonuses have been granted for keeping average unit costs at or below the planned level. Other quantitative and qualitative indices or "success indicators" *(pokazateli)* are being used to assess the efficiency of the producing unit, and managers may be rewarded for increasing labor productivity, for keeping total wages within prescribed limits (the *wages fund plan),* for introducing innovations, for improving the quality of the output, for economizing on certain particularly scarce inputs, and so on. But incentive premiums for fulfillment or overfulfillment of any indices are always contingent upon the fulfillment of the output plan.

Profits, in the Soviet Union, are also an important achievement indicator, but it is the relationship between planned profits and actual profits earned (rather than the absolute amount of profits or relative profits as percentages of total investment or total sales) that is used to evaluate the operating efficiency of an enterprise. The profits of state enterprises belong to the state, but a system of profit sharing, suspended only during World War II, has been in operation since 1936, and a percentage of planned profits actually earned and a considerably larger percentage of excess profits—the percentages vary from industry to industry—are paid yearly into an "enterprise fund" (known as the "director's fund" prior to 1955). As an incentive to managerial performance, however, this fund has been of minor significance, mainly because it has not normally been used as a source of premiums for rewarding enterprise managers.[3]

While nonmonetary incentives such as prestige, power, the Veblenian "instinct of workmanship" and the education-instilled desire to serve the cause of communism have undoubtedly provided some of the momentum in the Soviet economy, material, personal gain remains the primary motivating force for Soviet managerial personnel and workers alike. What is more, a substantial part of the take-home pay of the Soviet enterprise manager consists of incentive premiums which are directly related to the performance of the enterprise. (This, interestingly enough, is not true even in the United States —presumably the classic home of the profit motive—where bonuses and profit sharing generally play a minor role in the income of corporation executives.)

Unfortunately, however, the present Soviet system of managerial bonuses often leads to a misallocation of resources, for it fails in many respects to make the personal interests of enterprise managers (and workers) coincide with the interests of society at large. This shortcoming has long been recognized and discussed by Western scholars, but in the Soviet Union a free discussion of the problem had to await the post-Stalin "thaw." Gradually, complaints began to be heard from all corners of the Soviet Union. In November 1961, O. Antonov, an aircraft designer and deputy to the Supreme Soviet of the USSR, appealed for an improvement of "ill-conceived 'indices,' " and his article, published in *Izvestia,*[4] called forth a veritable flood of letters to the editor and of articles, written by enterprise managers, engineers, workers, economists, and government officials, citing examples of irrational work organization and proposing changes in the existing structure of achievement indices and financial incentive rewards. This public discussion has given ample testimony that the present system is inadequate in that it induces enterprise managers to (1) hide productive capacity, (2) hoard capital goods, (3) avoid innovations and (4) produce so-called "wrong" goods.

Shortcomings of the System

Inducement to hide productive capacity. Since the fulfillment and the overfulfillment of the quantitative output plan provide the major source of extra income for Soviet managers and since the achievement of the output target is the prerequisite for any other managerial bonuses, the enterprise director has a personal stake in concealing the productive capabilities of his enterprise in order to secure the assignment of an output target that can be easily fulfilled and overfulfilled. Once a director has succeeded in securing a "calm" plan, he will still hesitate to disclose his enterprise's full productive potential; it will be to his advantage to overfulfill the plan, but only within certain limits. Any *sizable* increase in quantitative output (just as any sizable increase in labor productivity or decrease in average cost of production) might result in embarrassing inquiries concerning understatements of capacity and, in any case, would be bound to lead to much more exacting targets (and accompanying smaller bonuses) for the following year since targets are generally based on planned im-

[3] The major part of the enterprise fund is set aside for improvements in workers' housing and recreational facilities, and for minor investments of the enterprise not provided for in the general plan. On occasion, a part of the fund may be available for special bonuses for deserving workers. Since July 1960, 20 percent of the fund is to be used for technological innovation (decree published in *Pravda,* July 2, 1960).

[4] Nov. 22, 1961.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

provements over the performance of the preceding year.[5]

Inducement to hoard capital goods. Many problems, so familiar and at times so annoying to corporation managers in market economies have no bearing upon the job of the Soviet enterprise director: he does not need to advertise his product, meet competitors' prices, or worry about sales. His major problem is procurement—the acquisition of the equipment and raw materials necessary for uninterrupted, efficient production.

In the USSR machinery and equipment may be hard to get when needed, but once approved by the planners, they are allocated to the enterprise without cost, down payment, rental, or interest charges (other than depreciation charges for units installed or in use). Since aggregate quantitative output (rather than return on the value of capital invested) is the major achievement indicator and the primary base for all bonuses, Soviet enterprise directors have a strong, direct, personal interest in hoarding all fixed assets they can possibly lay their hands on. It is therefore not at all unusual to find the operations of one enterprise temporarily halted, pending allocation and delivery of some kind of tools or equipment, while the very same equipment may be rusting in the storage room of a neighboring enterprise whose director has been more crafty in procuring reserves of capital goods.

Inducement not to innovate. The Soviet system of material incentives for managers contains a built-in bias against innovations. Technological improvements may lead to greater efficiency, but the Soviet director who introduces new inventions or more modern equipment and production processes in his enterprise runs great risks and has little to gain. Retooling takes time and effort and can usually be undertaken only at the expense of a temporary decrease in production. As this means that the output target might not be fulfilled, or at least not overfulfilled, the introduction of technological innovations could cut into the bonus of the director (and, incidentally, have a similar effect on the income of his workers). While output in subsequent years would undoubtedly be augmented, the increase in production would be offset, as far as the personal interest of the director is concerned, by the inevitable increase in the assigned output target. By the same token, an expenditure of labor time to enhance the quality of the finished product may lead to greater consumer satisfaction but, because of decreased quantitative output, would probably involve a personal financial sacrifice on the part of the enterprise director and his employees. Is it any wonder then that, for example, the Soviet machine tool industry overfulfilled in 1958 its aggregate output plan by greatly exceeding the output plan for machine tools of relatively antiquated design, while failing to reach its targets for several badly needed late-model items? [6] Or should one be surprised when one of the managers of the Likhachev Automobile Plant in Moscow reports that his enterprise had done well, as far as incentive premiums were concerned, by building trucks with the same obsolete design for 15 years? [7]

SOVIET PLANNERS have not been unaware of the need to alter the present incentive system so as to encourage the introduction of new techniques and new products. The topic has been discussed frequently since the end of World War II in party and governmental forums. Proposals have been advanced to discontinue bonuses for fulfillment of output plans altogether and instead grant bonuses only for "bold innovation and constant thought for tomorrow." [8] Legislation has been enacted setting aside special funds to be used in the introduction of new techniques and equipment, offering special premiums for innovations, making other managerial premiums contingent upon the fulfillment of innovation plans, and even prescribing that a certain number of innovations be introduced annually.[9] Nevertheless, as matters stand at present, the Soviet manager generally still fares best if he holds the introduction of new equipment, techniques, and products to a bare minimum and concentrates his efforts on the fulfillment and overfulfillment of more remunerative indices.

Inducement to produce "wrong" goods. In order to have the "right" goods produced, i. e., goods of the type, design and quality which the planners want produced, it is necessary to instruct enterprise directors accordingly (and to induce them to follow instructions). However, it would obviously be impossible for the central planning agency to prescribe for each of the thousands of enterprises throughout the Soviet Union the precise assortment of goods it is expected to turn out. Planning output exactly involves relatively few difficulties in the case of enterprises which specialize in a single,

[5] For Soviet complaints about the ill effects of the system of planning based on level achieved, see, for example, *Izvestia,* Dec. 4, 1961, and Aug. 25 and 28, 1962.

[6] I. Yevenko, *Planning in the USSR,* Moscow, Foreign Languages Publishing House, 1961, p. 225.

[7] *Pravda,* Oct. 3, 1962.

[8] *Izvestia,* May 29, 1962.

[9] For some details on legislation between 1947 and 1959 see Gregory Grossman, "Soviet Growth: Routine, Inertia, and Pressure," *American Economic Review,* Proceedings, May 1960, pp. 62-72 and Alec Nove, *The Soviet Economy,* New York, Praeger, 1961, pp. 169-170.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

homogeneous product or service. Hence, the generation of electric energy can be easily specified in kilowatt hours, the output of drinking water in millions of gallons, or the production of salt in millions of pounds of a given grade and purity, packaged in a certain type of container. Even in the case of some single-product or single-service enterprises, however, socially undesirable economic waste can result from imperfections in the specified *desideratum* of the output plan. Truck drivers, for instance, whose output plan was measured in brick-ton-kilometers, found it to their advantage to unload as rapidly as possible, and they accomplished this by throwing down the bricks at a breakage rate of approximately 30 percent.[10] Paper mills, to cite another example, found it easier to fulfill their output target (expressed in tons) by producing paper of considerably greater thickness than necessary.[11] Undoubtedly, had the target been expressed in square meters, the paper would have been made too thin.

In some instances, where adherence to precise and exacting specifications is of utmost importance, such specifications can be and are given in meticulous detail. This generally holds true, for instance, when a plant is instructed to make a special scientific precision instrument, build an intercontinental bomber, or construct a certain section of a chemical laboratory. On the other hand, *exact* specifications can hardly be given by a central planning agency to all multi-product enterprises, each turning out a variety of goods in different sizes, shapes, colors, and qualities. If, then, the output plan for a ladies' shoe factory in the Soviet Union calls for a certain number of pairs of ladies' rubber galoshes, is it surprising if the director produces them in as few different styles, shades, or sizes as he possibly can get away with, since greater variety can usually be achieved only at the expense of aggregate quantitative output? It should be clearly understood, moreover, that managers are given credit for the goods *produced* and not for the goods *sold* by their enterprises, so that there is not a negative incentive against the production of goods for which there is no demand at any reasonable price. Frequent complaints (and even an urgent request last summer by the head of the Main Trade Administration to "stop producing unmarketable goods"[12]) testify that unwanted goods are at times produced to fulfill the output plan.

We have seen that under the pressure of the output target, Soviet enterprise directors are loath to utilize labor and equipment for anything but the achievement of the output plan, even if it means sacrificing product variety or quality. However, management is frequently under special inducement to utilize raw materials, parts, and semifinished products of a quality far exceeding specifications or necessity. This is so because the gross output plan is often expressed in money terms, i.e., in rubles. Under the "factory method" of computation, gross output includes all raw materials, parts, and semi-finished products embodied in the finished commodity "without taking into account the turnover within the factory between shops and departments."[13] In other words, cotton cloth produced by one factory would count as part of the output target of that factory, and its value would be counted again as part of the output target of another factory which uses the cloth in the manufacture of, let us say, shirts. But if the cloth and the shirts were produced in different sections or departments of the same enterprise, only the value of the shirts would be counted. Thus when the Gosplan in June 1958 checked into 63 plants which had overfulfilled their gross output quotas, it was discovered that many enterprises had achieved that feat by producing goods, not even stipulated in the plan, which required much material but little expenditure for labor in their manufacture.[14] Some sovnarkhozes (regional economic councils) have even taken to splitting up the manufacture of some products, formerly produced by a single plant, among two or three, thereby doubling or tripling the overall "gross."[15]

To avoid some of the shortcomings of the gross output index, a new system of assessing the performance of clothing factories has been in use since 1957. Under this system the production target is based only on the cost of working up the materials, irrespective of the cost of the materials themselves. A similar method has also been introduced in the printing industry.[16] But if the gross output method encouraged unnecessary roundaboutness of production, the net output method would appear to have the opposite, equally undesirable, effect. As it puts a premium on the maximization of work carried on within the enterprise, it is likely to work as a deterrent even to rational inter-plant specialization and subcontracting.

AS WE HAVE SEEN, there is now wide realization in the Soviet Union that the structure of the "success indicators" and of the entire Soviet system of material

[10] *Izvestia*, Nov. 22, 1962.
[11] *Ibid.*, May 25, 1962.
[12] *Pravda*, June 12, 1962.
[13] Yevenko, *op. cit.*, p. 121.
[14] *Ibid.*, pp. 222-223.
[15] *Izvestia*, May 25, 1962.
[16] Yevenko, *op. cit.*, pp 122-123.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

incentives for managers is sorely in need of overhauling. But just *how* to alter or revamp it has puzzled Soviet experts. A serious effort to study the shortcomings and propose improvements was undertaken in March 1962 by a conference held under the auspices of the Gosekonomsoviet.[17] Among the main issues discussed by the conference was the development of more meaningful indicators of industrial achievement, but the proposals developed there—like most of those advanced earlier at various party forums and in the press—amounted to little more than adding new, albeit sometimes superior, achievement indices to those already in existence, which were likely only to make the system more cumbersome, more difficult to control from the center, and more confusing at the enterprise level. A design that would entail a reduction of the number of indices and the introduction of a single, more inclusive criterion of efficiency and performance had to await the Liberman proposal.

Yevsei G. Liberman, Professor at the Kharkov Engineering and Economics Institute and head of the economic laboratory of the Kharkov *sovnarkhoz,* originally explained his plan in April 1962 to a study group of the Soviet Academy of Sciences.[18] The details of the proposal, or the "Kharkov System," as he calls it, were not published until several months later.[19]

The Liberman Plan

According to Liberman's recommendation, such enterprise plans as cost plans, labor productivity plans, wages fund plans, capital investment plans and profit plans would be determined by each individual plant for its own operations. Only three targets would be decided from above, to wit, volume of output, assortment of goods, and delivery schedules. (While Liberman is rather vague about details, he seems to think that even these primary targets should be based on plans drawn up by the enterprises on the basis of customer demand and only then approved by the center for the sake of internal consistency.) Most important, enterprise profits would constitute the only index for bonus payments to plant managers. Norms of profitability would be worked out for each branch of industry, and Liberman proposes a "single standard of profitability for enterprises in roughly the same natural and technical conditions."

To motivate directors to reveal their plants' true productive potential and to operate them at maximum capacity, Liberman has a triple proposal: First, incentive premiums per ruble of capital invested should rise as the rate of profit increases (although more slowly than the latter) and different scales should be set up for different branches of industry; secondly, planned norms of profitability should be firmly set for each branch of industry; these norms, moreover, should be established "for an extended period of time" so that enterprise directors could count on bonuses for profitable operations extending over several years without fear that they would be penalized for efficiency and honesty by the imposition of more exacting targets; finally, each enterprise should submit its own profit plan and it would then receive the full incentive premium for fulfillment of that plan, but only half the regular premium for any profits above those planned.

Enterprises, presumably, would be dissuaded from accumulating uncalled-for reserves of machinery and equipment because managers' bonuses would be based on a rate of profit computed as a percentage of total fixed and working capital (and not as a percentage of output or sales). Unnecessary investment would therefore cause the rate of profit to decline, and such a decline would be reflected in a decrease in the number of kopeks per ruble of total investments that would be paid into the incentive fund.

As long as enterprise directors are rewarded for gross output, they do not need to worry about consumer satisfaction; but profits are not earned until the goods have actually been sold, and under Liberman's proposal commodities which merely fill storage rooms would yield no bonuses to managers. Enterprises, Liberman contends, would therefore no longer produce goods for which there is no market. They would also be under strong motivation not to turn out low-quality goods or concentrate on the production of those commodities which are the most profitable. After all, the assortment of goods to be produced would be one of the three targets under the final jurisdiction of higher authorities and incentive premiums for profitable operation would be contingent upon the fulfillment of these three targets. Furthermore, commodities of substandard quality might be rejected, or defective items returned with obvious effect on profits, and therefore on bonuses. In any case, with an appropriate revision of the pricing mechanism, the demands of society should eventually be reflected in corresponding profitability.

[17] *Ekonomicheskaia gazeta,* March 26, 1961, pp. 2-3 and April 2, 1961, pp. 2-3. Gosekonomsoviet was the long-term, central planning agency which was abolished under the reorganization of November, 1962.

[18] *New York Times,* Oct. 14, 1962.

[19] Unless otherwise stated, the summary of the Liberman program presented below is based on Liberman's article "The Plan, Profits, and Bonuses" in *Pravda* (Sept. 9, 1962) and on his "Reply to Critics of the Profit Proposal" in *Ekonomicheskaia gazeta* (No. 46, Nov. 10, 1962, pp. 10-11).

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

To encourage technological development, Liberman proposed that the production of new machinery be made profitable for the producers' goods industries and its utilization be made attractive to the users. The planners who set prices, therefore, would have to take into account both the cost of production of new capital equipment (including a normal return to the producer) and the effect of the installation of the new equipment on the output of the purchaser. Also, as pointed out above, innovations must not be discouraged by an early readjustment of targets which would nullify the benefits of increased productivity to the enterprise. The continued production of obsolete goods should be rendered less profitable by price reductions of outmoded items, while the introduction of new production should be stimulated by rewards and by the threat of penalties for non-compliance. The carrot, in this case, would be adequate prices or price adjustments for new or improved products, the stick a downward adjustment in the incentive scale for manufacturing enterprises which fail to introduce an adequate proportion of new items.

THE LIBERMAN PROPOSALS called forth a far-reaching and intensive controversy that spread from the halls of the Soviet Academy of Sciences to the pages of *Pravda* and *Voprosy ekonomiki.*[20] The attacks on the plan ran the gamut from "moderate" opposition (questioning the adequacy of a single, collective incentive fund or proposing the substitution of a cost-reduction criterion for the profit index)[21] to "orthodox" denunciations (warning that the adoption of the Liberman scheme would be tantamount to the abandonment of national planning and would spell a return to the "anarchy of production" that prevailed under capitalism.)[22] Liberman's supporters, on the other hand, backed his basic proposals, reiterated his arguments, and made some suggestions for further improvements.[23] Finally, Liberman himself defended the particulars of his plan against the "moderates," accepted some of the improvements proposed by his supporters, but had only an indignant answer for the orthodox who saw in his proposal an end to centralized planning. "The principle of centralization should not only be maintained," he insisted, "but should be strengthened by freeing central agencies from unnecessary work and from tutelage over enterprises."[24]

Perhaps the most favorable discussion of Liberman's proposal took place in the Soviet Academy of Sciences' Learned Council for Problems of Scientific Principles of Planning and the Organization of Social Production, headed by Vasily S. Nemchinov, next to Strumilin the most outstanding Soviet economist. The council "backed the Kharkov people's initiative and recommended the expansion of experiments along these lines. . . ."[25] The Scientific Council for Accounting and Material Incentives, chaired by L. M. Gatovski, editor-in-chief of *Voprosy ekonomiki,* declared after a two-day session held in September 1962 that it was by no means satisfied with Liberman's program, but at the same time proposed reforms which bore definite traces of "Libermanism."[26]

Finally, Khrushchev himself entered the debate. Speaking before the Central Committee Plenum last November, he challenged the orthodox, reassured the doubtful, and emboldened the timid by reminding the delegates of "Lenin's directive that we be able, if necessary, to learn from the capitalists, to adopt whatever they have that is sensible and advantageous." And, while postponing a definite decision, he did give his blessing to the Liberman proposal by referring to the existing indices as "insufficiently accurate" and by pointing out that profit at the enterprise level carries great significance as an efficiency index.[27] He proposed that experiments along the lines of Liberman's plan be carried out "at individual plants of various branches of industry," and declared that "the planning agencies and the Economics Institute of the USSR Academy of Sciences should be assigned the task to study carefully these proposals . . . and to utilize them for improving planning."[28]

An Evaluation

Western interpreters, mostly favorably impressed by Liberman's ideas, have labeled him a "radical economist," a "heretic," and even a "revisionist." A reminder that

[20] See Nos. 8, 10 and 11, 1962, of this leading Soviet economic journal.

[21] *Cf.* M. Fedorovich, "The Chief Index is not Profits but Reduction of Costs," *Pravda,* Sept. 20, 1962, and B. Smekhov, "Offer Incentives for Lower Production Costs," *Pravda,* Oct. 12, 1962.

[22] See statements by K. Plotnikov, A. Zverev, *Ekonomicheskaia gazeta,* No. 45, Nov. 3, 1962, pp. 37-39.

[23] See, for example, N. Anotonov, "Profit is the Basic Index," *Pravda,* Sept. 13, 1962, and V. Cherniavsky, "Profitability and Labor Productivity," *Pravda,* Oct. 19, 1962.

[24] Liberman, "Reply to Critics . . .," *loc. cit.,* p. 11.

[25] *Pravda,* Sept. 21, 1962.

[26] *Voprosy ekonomiki,* No. 10, 1962. For minutes of a debate on Liberman's plan held by the Delovoi Klub, an unofficial discussion group of leading Soviet economists, see *Economicheskaia gazeta,* No. 45, Nov. 3, 1962, pp. 34-43 and No. 46, Nov. 10, 1962, pp. 5-17.

[27] Khrushchev somewhat placated the orthodox by emphasizing that profitability was not to be a determinant of *national policy.* Liberman himself had never suggested that it should be.

[28] Report to the CC Plenum, *Pravda,* Nov. 20, 1962.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

his proposals are not unprecedented in socialist economies is therefore in order. In the Soviet Union, many economists, including Liberman himself, have been urging reforms for the past several years,[29] and in several of the other bloc countries, programs similar to various aspects of the Liberman plan have in fact been tried, and with not too much success at that.[30] What *is* new, however, is the widespread attention paid since last fall to Liberman's proposals in the Soviet press and by groups and individuals who are influential in determining the economic policies of the USSR.

In evaluating the Liberman recommendations, it must again be emphasized that the Kharkov professor did not submit a program intended to replace central planning by the automatic functioning of market forces. The major economic objectives were still to be determined by the central planning agency. Increased freedom for managers to make subsidiary plans, a more meaningful price structure, and an enhanced role for profits *at the enterprise level*—these all were to be instituted for but one purpose: the more efficient performance of the tasks prescribed by the government. Whether the adoption of these principals would indeed contribute towards greater efficiency, and if so to what extent, must be the basis of any economic assessment of the plan.

TO WHAT EXTENT, then, could the Liberman program be expected to correct the four major shortcomings of the present system of incentives, discussed above?

(1) Under the new incentive program, the enterprise director interested in maximizing his bonus would have no reason to hide the productive potential of his plant or to try for an easy plan. Notice, however, that this would be so not because profits would become the basis for managers' bonuses but rather for the two reasons mentioned earlier, i.e., higher premiums for planned achievements than for overfulfillment and, secondly, assurance that honesty and efficiency would not be "punished" by higher targets.

(2) The inducement to hoard capital goods would be greatly diminished since managers could no longer earn bonuses by simply fulfilling or overfulfilling physical output targets, irrespective of total or additional capital

[29] *E.g.*, Liberman and Gatovski in *Kommunist*, No. 1, 1959; V. S. Nemchinov in *Voprosy ekonomiki*, No. 12, 1960.

[30] Among the reasons for the relative lack of success of these experiments the unwillingness of the central governments to delegate sufficient authority to managers and the failure to introduce a price structure that would reflect relative scarcity are surely of preponderant importance. *Cf.* Bela A. Balassa, *The Hungarian Experience in Economic Planning*, New Haven, Yale University Press, 1959, p. 107; Miroslav Rosicky, 'Organization and Management of Industry and Construction in the Czechoslovak Socialist Republic," *Czechoslovak Economic Papers*, Prague, Ceskoslovenska akademie ved, 1962, Vol. II, pp. 49 and 52; Rudolph Bicanic, "Interaction of Macro- and Micro-economic Decisions in Yugoslavia, 1954-1957" in Gregory Grossman (Editor), *Value and Plan*, Berkeley and Los Angeles, University of California Press, 1960, p. 353; Albert Waterson, *Planning in Yugoslavia, Organization and Implementation*, Baltimore, The John Hopkins Press, 1962, p. 22; John Michael Montias, "Producer Prices in Poland" in Gregory Grossman (Editor), *Value and Plan*, p. 61; and John Michael Montias, *Central Planning in Poland*, New Haven and London, Yale University Press, 1962, pp. 303 and 304.

TABLE I.

Liberman's Sample Scale of Incentive Payments for Enterprises

PROFITABILITY (Profit balance in % of fixed and working capital)	INCENTIVE PAYMENT a) in kopeks per ruble of capital	INCENTIVE PAYMENT b) supplementary, in % of profit exceeding lower limit of grouping
0.01 to 5.0	0.0	42.0
5.1 to 10.0	2.1	18.0
10.1 to 20.0	3.0	9.0
20.1 to 30.0	3.9	5.0
30.1 to 45.0	4.4	3.3
45.1 to 60.0	4.9	2.7
More than 60.0	5.3	2.0*

* But not more than 5.5 kopeks per ruble of capital.

SOURCE: *Pravda*, September 9, 1962, p. 3. A capital investment of, say, 1,500,000 rubles yielding 150,000 rubles in profits (10 percent) would result in an incentive payment of 44,730 rubles. Were capital investment to be increased to 2,000,000 rubles while total profits remained at 150,000 rubles, the rate of profit would drop to 7.5 percent, but the incentive payment would increase to 50,640 rubles.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

TABLE II.

Chernyavsky's Sample Scale of Incentive Payments for Enterprises

Efficiency coefficient (% of profitability)	Profit per 1,500,000 rubles in capital	Deduction from profit for enterprise fund	Deduction in money terms	Deduction from profit for State Budget
	(rubles)		*(rubles)*	*(rubles)*
5%	75,000	25%	18,750	56,250
6%	90,000	26%	23,400	66,600
7%	105,000	27%	28,350	76,650
8%	120,000	28%	33,600	86,400
9%	135,000	29%	39,150	95,850
10%	150,000	30%	45,000	105,000

SOURCE: *Pravda,* October 19, 1962, p. 4. A capital investment of 1,500,000 rubles yielding 150,000 rubles in total profits would result in an incentive payment of 45,000 rubles. If capital investment were to be increased to 2,000,000 rubles and if, as a result, total profits were to rise to 180,000 rubles, the rate of profit would have dropped from 10 to 9 percent, and the additional investment would have yielded marginal profits of 6 percent. Total incentive payment, on the other hand, would have risen to 52,200 rubles.

investment. It should be pointed out, however, that even under Liberman's proposed sample scale an addition to total capital without an accompanying change in total profits would result in somewhat higher total incentive premiums. (See Table I.) As long as incentive payments are computed as percentages of capital invested, this could only be avoided if the ratio of incentive payments to profits were to be made an increasing function of the rate of profit.

Realizing this shortcoming, an otherwise strong supporter of Liberman, V. Cherniavski, proposed that deductions from profits for incentive premiums be computed as a percentage of total profits. Since in his sample table the percentage rises as the rate of profit increases, greater capital accumulation without any increase in total profits would cause the incentive premium to drop. It would still pay, however, to add to total capital, even though the marginal rate of profit were well below the average rate, as long as the product of total profits times the reduced rate for incentive payments exceeded the previous incentive premium. (See Table II.) Liberman does not appear much concerned with this problem since he would have the enterprise decide only upon small current investments. Major capital investment decisions to him are beyond the domain of the enterprise director or the economist, and are to be set from above. This, however, is precisely the situation now. Since the 1957 industrial reform, minor investment decisions can be made at the enterprise level, but all major investment projects still are decided upon by the central authorities.

Yet, as we said before, the widespread hoarding of unnecessary capital reserves is the cause of rather serious misallocations of scarce factors. If the planners want to cope successfully with this problem, the charging of interest on capital would seem the only sensible solution since this would deter directors from pushing investments beyond the point at which the marginal efficiency of capital equals the rate of interest.[31] Soviet economists have by no means been blind to the advantages of interest charges on capital investment—for how else is one to make a rational choice for the completion of a given task between investment A involving great original expenditure and low maintenance costs, and investment B involving low original expenditure but high maintenance costs? Many Soviet economists have been attempting to introduce interest through the back door, so to speak, via the "recoupment period," [32] and Nemchinov speaks even more openly about the need for planned "charges on fixed capital computed according to long-range norms." [33]

(3) The Liberman program has many built-in persuaders which should effectively stimulate new inventions and modernization of machinery and equipment. As most of these persuaders consist of incentive premiums paid not for the introduction of new technology *per se* but for the economic effects of technological innovation during

[31] This would hold true unless the bonus scale were such that it would be possible to obtain higher total incentive payments as a result of increased total capital, even if total net profit were to drop. The "marginal efficiency of capital" is the anticipated rate of return on one additional unit of capital investment.

[32] The recoupment period (*srok okupaemosti*) is the period of time necessary to recoup in terms of savings the cost of an investment; in other words, the time necessary for an investment to pay for itself.

[33] Nemchinov, *loc. cit.*

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

a specified period of time, the material interests of enterprise directors seem in this respect rather well correlated with the interests of society at large.

(4) As compared with their inclination to innovate, Soviet managers operating under the Liberman program would probably feel somewhat less prompted to produce the "right" kinds of goods, i.e., the assortment envisaged by the planners. The new system would surely motivate enterprise directors more than the present one to fulfill the assortment plan since they would be credited only for goods actually sold. Also, there can be little doubt that the pressure to turn out goods of desired quality, sizes, colors, and so forth will increase as Soviet society becomes more affluent and as Soviet purchasers (whether final consumers, collectives, enterprises, or the state) become more selective. But the fact still remains that enterprise directors, intent on maximizing profits, will want to concentrate on the more remunerative items and will try to circumvent, if at all possible, any assortment target that might thwart that goal. To motivate managers to produce the "right" goods, the price structure would need to be altered so as to make the planned assortment the most profitable one. And as prices in the Soviet Union today have little if any relation to relative scarcity, an alteration in the price structure is an absolute necessity anyhow, if profitability is to be a measure of real, and not merely of paper, efficiency.

That the optimum allocation of economic resources is impossible without prices that reflect relative scarcities has long been recognized by Western scholars. In recent years, an ever increasing number of Soviet economists have come to realize that this basic truth holds for socialist, as well as for capitalist, economies. Following in the footsteps of Kantorovich and Novozhilov, and over the objection of their "orthodox" opponents, they have begun to tackle the difficult task of introducing scarcity pricing into the framework of Marxian analysis.[34] That improvements in the price mechanism are of vital importance in order to make profits a truly significant indicator of efficiency was generally admitted by Liberman and his followers.[35]

[34] *Cf.*, "The Great Value-Price Controversy in the USSR and the Prospects for the Use of Mathematics to Improve the Efficiency of Soviet Planning" in Harry G. Shaffer (ed.), *The Soviet Economy: A Collection of Western and Soviet Views*, New York, Appleton-Century-Crofts, 1963, pp. 340-421.

[35] See Liberman, "Reply to Critics . . .," *loc. cit.*; Cherniavsky, "Profitability and Labor Productivity," *loc. cit.*; and V. S. Nemchinov, "Plan, Assignment and Material Incentive," *Pravda*, Sept. 21, 1962, p. 3.

Indeed, Premier Khrushchev himself emphasized that

without a correct solution of the problem of price formation and without the establishment of scientifically based prices, many serious shortcomings in production planning cannot be eliminated, full cost accounting cannot be introduced and conditions cannot be assured for the profitable operation of enterprises. [36]

For those "conservative bureaucrats," however, who suggested that his proposed reform should await adequate price-fixing machinery, Liberman had only a sneering comparison. They reminded him, he said in a radio broadcast, of those Tsarist administrators who argued that motor cars should not be introduced "until horses got used to them. Of course . . . horses will never get used to them if we don't introduce the cars in the first place." [37] Yet, the profit motive cannot lead to perfectly rational decisions by enterprise directors, and profit maximization cannot lead to the optimum allocation of resources without prices that reflect relative scarcity and opportunity costs—without, in other words, a flexible price system.

The Liberman proposal is surely not a panacea for all the inadequacies of Soviet planning, for it does not even touch upon such macro-economic planning problems as the proportions between sectors that would assure internal consistency, or the proper criterion for macro-investment decisions; nor does it investigate such invaluable aids to macro-planning as input-output analysis or linear programming. But as a micro-economic supplement there seems to be little doubt that it represents a great improvement over the present incentive system and that it would contribute considerably towards increasing efficiency at the enterprise level. With output and assortment targets prescribed (or at least subject to approval) from above, profitability becomes a composite index of the efficiency of fulfilling the plan, an index which embodies such significant achievement indicators as cost of production, labor productivity, and efficiency of capital utilization. Added to the secondary incentives and deterrents which Liberman appended to this composite measure of efficiency and coupled with the introduction of a more realistic pricing mechanism, the use of profits as a sort of *index unique* would appear to be a great step forward in the direction of equating the material interests of enterprise directors with those of society as expressed by the plan.

[36] Report to the CC Plenum (Nov. 1962), *loc. cit.*

[37] *New York Times*, Oct. 20, 1962.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Khrushchev and the Economists

By Rush V. Greenslade

CURRENT SPECULATION about the future evolution of the Soviet economy usually includes the suggestion that the leaders in Moscow may increasingly adopt capitalist techniques in order to improve economic efficiency. In the last few months, as if in confirmation of this suggestion, some Soviet economists have proposed that profitability be the aim and the success indicator of enterprise management. They have also proposed that the price system be reformed and prices more explicitly recognized as guideposts in enterprise decision-making. The proposals are very reminiscent of "market socialism," the version of socialism which most resembles capitalism and which is practiced—imperfectly—in Yugoslavia.

Indeed, it is tempting to assume—and the Soviet economists appear to be making just this assumption—that some modification of or partial approach to "market socialism" would also be consistent with Khrushchev's outlook. In the past he has gone to some pains to build a reputation for "liberalism," and his often-repeated organizational preferences include implacable opposition to bureaucratic rigidities, emphasis on the creative initiative of workers and production managers, a continuing demand for efficient use of resources, and an unashamed admiration for the beneficial effect of competition on the productivity of the individual farm and firm in the United States.

The purpose of this article is to argue that the assumption is wrong and that Khrushchev's approach to economic management is basically incompatible with the proposals of the economists. This is not to say that the economists' proposals may not be adopted in part or in whole but that, even if they are adopted, they will not work as intended.

The demands for more decentralized economic management come from a small group of Soviet economists and from some, if not all, enterprise managers. The recent proposals of these economists and industrial managers represent the convergence of two streams of thought which closely resemble the two basic ideas of market socialism as expounded by the Polish economist, Oskar Lange.[1] These two ideas are that the socialist state should (1) set market (or transfer) prices which equate supply and demand and (2) enjoin production managers to seek maximum profit—at the prices set under (1)—but otherwise not interfere in enterprise management.

The first stream of thought was set in motion in 1959 by the Leningrad mathematical economist, L. V. Kantorovich. Kantorovich was one of the original inventors of linear programing, a generalized mathematical method for solving problems of choice under complicated technical restraints.[2] In 1959 he published a book which applied linear programing to the problem of general economic planning. One feature of his proposal that attracted widespread interest among economists was the notion that the calculations necessary to operate his system could be programed on electronic computers. The idea that mathematical methods and electronic computers could be applied to economic planning had by then been under investigation by other Soviet economists, and Kantorovich's proposals fell on many receptive ears and added momentum to a movement which was already underway. Several special institutes for the development of mathematical techniques of planning are now in existence, and research is being actively pushed.

The other main feature of Kantorovich's proposal was the proposition that the correct solution of any economic planning problem required the calculation of prices of inputs and outputs which, in effect, equated supply and demand. Prices that are generated by a linear programing

Mr. Greenslade, a former contributor, is an American economist specializing in the Soviet Union.

[1] *On the Economic Theory of Socialism,* University of Minnesota Press, 1938, pp. 57-142.

[2] For example—to find the optimum routing of ships between several ports of call, the quantities of freight to be hauled between each pair of ports being given.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

model are referred to as "shadow prices." Kantorovich did not say that they had to be used in actual transactions but only in the calculation of the plan. The idea of shadow prices immediately evoked vigorous controversy among economists: some, such as Academician Nemchinov and B. Belkin, supported Kantorovich; others denounced him for adopting Western economic concepts. But whether or not they agreed with Kantorovich's proposals, almost all Soviet economists are in agreement that prices in the Soviet economy badly need reform.

A separate stream of thought has been generated by the wide concern about the system of economic incentives for enterprise managers. The question of the index of performance on which managers' bonuses should be based has preoccupied political leaders, including Khrushchev, and enterprise managers as well as economists. General dissatisfaction with Gross Value of Production (gross output expressed in rubles) as an index of enterprise performance led to a revision of the system of bonuses in 1959; the new system tied the managers' rewards to cost reduction and several other indexes in a very complicated formula. The chief results of this bonus revision were renewed controversy and a lengthened list of press complaints about bad industrial practices. In fact, there is no evidence that the new system was ever widely implemented.

In September 1962, *Pravda* unveiled Professor Ye. Liberman's now famous proposal to use profitability as the primary index of enterprise performance. Since this plan is discussed in greater detail by Professor Harry Shaffer elsewhere in this issue, it is enough to note in the present context that Liberman also suggested that some prices might need to be adjusted (upward) so as to make sure that all necessary goods are produced. Shortly thereafter came the proposal of Professor Berg that industrial prices be drastically revised and made to cover full costs.[3] Berg's proposal was essentially a revival of Kantorovich's ideas, except that neither Kantorovich nor the principle of scarcity (supply and demand) were mentioned in his public statement.[4] Finally, in the wake of Khrushchev's criticism of industrial planning and performance at the November 1962 Central Committee Plenum, economists I. Birman and B. Belkin wedded the Liberman and Berg proposals, advocating a revision of prices as a necessary condition for the success of Liberman's profitability criterion.[5] Like Berg, they, too, called for prices determined by full costs, including capital cost, and, going a little further than Berg, they noted that prices must take account of the scarcity of some types of goods and of differential rent. (Enterprise managers, who worry less about prices and more about the confusion and lack of coordination in the enterprise output and supply plans, have, in general, endorsed simplifications—although not necessarily Liberman's—which promised to reduce the quantity of supervision and petty tutelage over the enterprise.)

— Эй, уважаемые, нельзя ли спуститься на землю?

Рисунок Е. ГУРОВ

—Say, be careful; don't you think you ought to come down to earth? (Paper wings are labeled "Plan.")

—*From Krokodil (Moscow), Jan. 20, 1963.*

These latest proposals of the economists are only one step short of the principle of Lange's market socialism—that is, that prices should be set so as to clear the market. In his favorable comment on Liberman's proposal, V. S. Nemchinov clearly advocated the use of price incentives by the state to guide production, i.e. raising the price of a good of which the state wants a greater supply. If the economists were to say that prices should be deliberately used to transmute the demands of buyers into the production patterns of the suppliers, they would have taken the last step toward Lange's concept.

Soviet economists are familiar with Western economics and with Lange's writing. The Soviet press is filled with complaints by buyers against suppliers. Liberman has denied, to be sure, that he wished to undermine central planning—and indeed his proposal as it now stands does not do so—but the logic of economic calculation is inexorable. One cannot avoid the conclusion that supply-

[3] *Pravda,* Oct. 24, 1962.

[4] The distinction between full cost pricing and pricing by supply and demand is crucial to Marxists and in practice. Even if the price of a product covers the full cost, including capital charges, production either may exceed or may fall short of demand, in the short run.

[5] *Izvestia,* Nov. 29, p. 3.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

demand pricing would be the next objective of some "liberal" economists, if the present proposals were adopted. This small logical step, however, would be enormous ideologically: the economists would be proposing, in effect, to substitute for central planning of enterprise outputs Adam Smith's "invisible hand."

Whether or not this is true, the common characteristic of all the economists' and enterprise managers' proposals is the search for impersonal and automatic rules to substitute for arbitrary or bureaucratic decision-making; a profitability rule for enterprises, a full cost rule for prices, or linear programing rules for central planning.

Khrushchev and Economic Administration

Nikita Sergeyevich Khrushchev has been called a shrewd Russian peasant who believes in communism and common sense and sees no inconsistency between the two. He has spent a lifetime promoting the Communist Party and its historic mission, but the niceties of ideological theory mean little to him. Nor has he any use for impersonal logic or administrative theory. His guide is his personal experience, and he perceives national economic problems as simple multiples of the difficulties that he personally solved in this mine or that farm in the Ukraine many years ago.

Khrushchev's model for solving economic problems is as follows. The party man (Khrushchev) sees the problem (output must be raised). He goes directly to the worker, explains the goal and its importance, and wins his confidence and enthusiasm. The worker then reveals a secret trick that can double output—a trick which he will adopt provided that certain government bureaucrats leave him alone. The party man chases away the bureaucrats, and the problem is solved. This model was perfectly illustrated in an anecdote from his earlier days that Khrushchev related in his speech of November 29, 1962, to the Party Central Committee:

. . . This happened at the Petrovsky Mine. During the revision of norms I went to the smithy, where I met an old smith.

He asked me: "Look, Khrushchev, why do you send a girl who stands beside my forge clicking a stop watch? I know why she came, she decided to check the output norm. Listen: You come and ask me whatever you need to know. Then I will tell you what my norm is now and how it should be raised. Only take away this girl. . . ."

Then he said: "Listen to what I did. I saw that she was measuring the time it took to finish a part. I deliberately kept the fire low in the forge." (He was making insulator brackets.) "I took a rod, cut it, put it in the furnace, heated it, shaped it, put in another rod. She stood there, timing everything. Then having marked down the time, she calculated the norm and left. When she had gone, I took and built up a big flame in the furnace and put in not one rod but several, and heated them. I have a press; I don't shape the brackets by hand, as I did in front of the girl, but under a machine hammer—bang! And the bracket is finished. So much for the stopwatch record and the norm the girl figured."

Khrushchev concluded:

Talk with the workers, tell them what has to be done, and they will understand you correctly. But for this you have to go to the worker not as some bureaucratic administrator, but as a comrade of this worker; then he will open up his soul and show the possibilities he possesses for raising labor productivity and reducing production costs.[6]

All of Khrushchev's reorganizations in both industry and agriculture have been merely generalizations of this model. He sees the problems of the economy as a list of specific bad practices—in enterprises, farms and administrative organs—and he recites them endlessly in his speeches. But he gives few general rules for correcting them. On the contrary, he sees administration as a kind of continuous troubleshooting.

This view of administration is most apparent in the agricultural reorganizations. Discussing the proposed production administrations in his March 5, 1962, speech to the Central Committee, he said:

The production administrations must keep accounting for control in their hands, apply their efforts where organizational and production weakness arises, and reinforce lagging sectors. And reinforcement should proceed not through directives, letters and orders but by sending out inspectors to the state and collective farms, directly to the brigades and state farm divisions, with a view to deciding production questions on the spot.[7]

Khrushchev's violent opposition to bureaucrats and bureaucracy has been the most conspicuous feature of his administrative approach. Beginning with his attacks on the ministries in 1957, and continuing to the chastisement of Gosplan in November 1962, bureaucratic rigidities, compartmentalization, and red tape have been the villains of the long drama. The hero of the drama, of course, is Khrushchev, the inspired party man who sees the goal; discovers a means; and acts immediately, disregarding procedures, channels, jurisdictions, and vested interests. He has steadily reduced or eliminated government bureaucracies—the industrial ministries, the Ministry of Agriculture, the machine tractor stations—and replaced them with party organs or lower-level government agencies under the supervision of party organs.

This procedure does not mean the replacement of a government bureaucracy by a party bureaucracy. The

[6] *Pravda,* Nov. 20, 1962.

[7] *Ibid.,* March 6, 1962.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

essence of a bureaucracy (which is to say, any administration) is the performance of specified routine functions by a hierarchy of authority, each level operating under a clear and unduplicating set of rules and responsibilities. A bureaucrat is a functionary; a party man is or is supposed to be an *activist*. The good bureaucrat fulfills his assigned function faithfully according to the rules. The good party man achieves an overriding goal, assigned or not, regardless of rules. Khrushchev is profoundly *anti-rule*.

Khrushchev's reorganizations have weakened or abolished government administrative chains of command with their bureaucratic rules, and increased party participation in decision-making at all levels. This has meant duplicating and unclear lines of authority, petty tutelage, and arbitrary intervention into the affairs of

IN PURSUIT OF BETTER MANAGEMENT

An almost chronic incidence of economic reorganization in the USSR has been the earmark of the Khrushchev era. While each reform has been hailed as a new ultimate in economic management, it was usually the fact of the succeeding reorganization that provided the more realistic commentary on the planners' efforts. There follows a list of industrial reforms since 1957, including occasional comments by N. S. Khrushchev.

May 1955

The Soviet planning apparatus was reorganized by splitting the existing State Planning Committee (Gosplan) into two parts: Gosplan, now entrusted with only long-term planning, and a State Economic Commission (Gosekonomkomissia) responsible for current planning.

KHRUSHCHEV: We need not only one-year and five-year plans for developing our national economy; we need longer term plans. . . . The preparation of long-term plans will show the Soviet people the path to communism in clear perspective; it will let them know at what time the various branches of our industry will overtake the most advanced capitalist countries in per capita production. ***(Speech at All-Union Conference of Industrial Personnel,*** **Pravda,** ***May 19, 1955.)***

December 1956

New powers, aimed at a decentralization of economic management, were extended to the Union republics, and the State Economic Commission received in addition to its planning functions administrative control over the economic ministries.

May 1957

A major reorganization decentralizing the management of industry and construction was put into effect: Vertical management of the national economy by industrial ministries was abandoned for management based on the territorial principle, i.e., by regional economic councils (sovnarkhozes) established in 105 economic regions covering the territory of the USSR. Gosplan was reassigned responsibility for both long-term and current planning, but was stripped of all executive power, while the State Economic Commission, like most of the economic ministries, was abolished altogether.

KHRUSHCHEV: . . . as a result of the reorganization of management, considerably greater opportunities will be provided for specialization and cooperation both within the economic regions and republics and in the national economy as a whole. Conditions will be provided for better utilization of the country's industrial potential, for the achievements of our science. . . .

If doubts arise among certain comrades as to the possibility under the new structure of ensuring specialization and cooperation in industry, these doubts are evidently the result either of insufficient understanding of the nature of the reorganization or of adherence to now obsolete forms of industrial and construction management.

Reorganization of the management of industry and construction will make it possible to remove more rapidly the shortcomings caused by departmentalism and will enable the forces of workers, scientists and technicians to be better utilized for a further powerful rise of the Soviet economy. ***(Report to the USSR Supreme Soviet,*** **Pravda,** ***May 8, 1957)***

1960

The division between long- and short-term planning was reestablished by transferring responsibility for long-term planning from Gosplan to the State Scientific-Economic Council.

April 1961

In its fight against autarchic tendencies of the sovnarkhozes, the government announced the division of Soviet territory into 17 "major economic regions" and two "independent economic administrative regions," each headed by a "council for coordination and planning."

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

enterprises and kolkhozes by any number of uncoordinated authorities at local, oblast, republic, or all-union levels.

The latest reorganization, which was announced in November 1962, does not correct these weaknesses. The party organization at each level has been divided into parallel industry and agriculture committees or bureaus in order to monitor the two parts of the economy more closely and more continuously. The party industry committee at the oblast level appears to be the direct and immediate supervisor of enterprises, since the sovnarkhozes were amalgamated into larger units with jurisdiction over two or more oblasts in most cases.

At the same time, the functions of Gosplan were dispersed among several agencies. Gosplan itself is to concentrate narrowly on planning; the newly estab-

. . . REORGANIZING REORGANIZATIONS

November 1962

The CPSU Central Committee approved a basic restructuring of the party organization as well as a new reorganization of the state economic agencies. To improve economic guidance by the party, the party apparatus was remodeled according to the production principle, splitting the party agencies from top to bottom into two independent units—one dealing with industry, and one with agriculture—and creating new party bodies at the Union-republic level. The reform includes the formation of a unified Party-State Control Committee of the CPSU and the Council of Ministers, with corresponding agencies on all lower levels, and a reorganization of the large number of state committees and scientific and design institutes. Furthermore, the CC ordered an amalgamation of the economic regions (resulting in a reduction by more than one-half of the original sovnarkhozes, as well, apparently, as in the elimination of the 17 "major economic regions" created in April 1961) and the establishment of a USSR Council of the National Economy (USSR Sovnarkhoz) which was entrusted with the current-planning functions theretofore performed by Gosplan. The State Scientific-Economic Council was abolished, but reincarnated as the new USSR Gosplan—now a Union-republican organ just like the USSR Sovnarkhoz—which was once again assigned the function of long-range planning. The current-planning duties were delegated to the USSR Sovnarkhoz.

KHRUSHCHEV: . . . it is . . . clear that to improve the guidance of the economy we cannot limit ourselves to the reorganization of economic agencies alone. A need has arisen for reorganizing the system of economic guidance by the party agencies, both at the center and locally. . . . organizing the party agencies on the production principle will make it possible to concentrate all the forces of the party and the party organizations on meeting the chief tasks of developing production. . . . [thus] the necessary conditions will be created for the party workers to delve into the economics and technology of production and to settle practical problems knowledgeably . . . . The party agencies will be able to organize better the checkup on fulfillment of the party and government directives. (*Report to the CC Plenum*, Pravda, *Nov. 20, 1962.*)

March 1963

A USSR Supreme Council of the National Economy was established as the supreme state agency to guide, under the direction of the USSR Council of Ministers, industry and construction in the country and coordinate the work of the USSR Gosplan, the USSR Sovnarkhoz and the USSR Gosstroi (State Committee for Construction Affairs). At the same time, the government decreed the creation or reorganization of over two dozen state committees (some former ministries) of the USSR Council of Ministers.

Khrushchev expressed himself on this subject in 1957 and again in 1963; the two opinions are worth comparing:

In the course of discussing the present question, certain comrades have advanced proposals to set up a Supreme Economic Council or special economic agencies, such as committees under the USSR Council of Ministers, which, they recommended, should be entrusted with the guidance of key branches of heavy industry. These proposals met with justified objections. . . . A Supreme Economic Council and its chief administrations, just as the present Union ministries, would duplicate the work of the economic councils and of the corresponding industrial divisions of Gosplan. They would waste energy and time on many current questions which could be successfully solved in the republics and the economic regions and would also divert a large number of workers . . . . (*Report to the USSR Supreme Soviet*, Pravda, *May 8, 1957.*)

The structure of the central economic organs has been reorganized and thus the conditions for improvement of their activity have been insured. State committees for the most important branches of industry have been created. . . .

The creation of the supreme economic organ [Supreme Council of the National Economy] . . . will make possible better direction of the work of state organizations . . . and solve current issues more quickly and efficiently. (*Speech at the RSFSR Industrial and Construction Workers' Conference, April 24, 1963.*)

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lished all-union sovnarkhoz (Sovnarkhoz SSSR) is to take over Gosplan's former administrative and supervisory responsibilities; and the state committees for various branches of the economy have an increased but undefined responsibility for introducing new technology and guiding new investment. The general instruction to all is to innovate, introduce new technology, and uncover hidden reserves.

In March of this year the obvious need to coordinate this gaggle of overlapping agencies led to the establishment of a Supreme Economic Council capping the whole economic pyramid. Gosplan, the all-union sovnarkhoz and Gosstroi were subordinated to the Supreme Council, and each of the various state committees was subordinated to one of these four organs. One would suppose that the Supreme Council would now be establishing broad policy lines and general rules of administration and jurisdiction so as to bring order out of chaos. It is more likely, however, that it will simply be one more troubleshooting agency. The agenda for its first meeting revealed Khrushchev's fine administrative hand all too clearly. The items up for discussion were: (1) organizing the production of silicate material; (2) increasing the production of tire cord; and (3) improving the productivity of machinery manufactured at the Novo-Kramatorsk machine-building plant.[8]

Rules vs. Authority

The arguments of the two preceding sections clarify the positions of Khrushchev and the economists. Both are against the same thing—rigid bureaucratic administration of the economy. But what each is *for* could not be more different. The economists would replace bureaucratic rules by the impersonal rules of profit maximization, prices set by full cost (or supply and demand), or planning by mathematically programed electronic computers. Khrushchev wishes party supervision of the economy to be bound by no rules whatsoever.

In this respect he differs little from other party members. Arbitrary intervention into economic administration has been a chronic feature of the Soviet economy for a long time, and, given a party organization that parallels the government organization, this is inevitable. The party, to be sure, has been intent on maintaining its unrestricted authority, but Khrushchev has now made continuous party participation a central principle of Soviet administration.

The economists' rules and party authority are mutually incompatible in practice. This does not mean that both cannot be formally accepted—only that both cannot operate simultaneously. Khrushchev presumably will have his reorganization, and some parts of the economists' proposals also may be adopted. But there is small chance that the party *activists* would accept the operation and results of profit maximization as being in the "best interest of the state." Profit maximization would on occasion call for reducing output, for turning down the delivery of a machine if it had defects, for refusing to adopt a new technology if it was dubious or unproved, or for reducing output of a high-priority commodity in favor of a low-priority one. The liberal economists would say that each of these developments could and should be corrected by adjusting some price. The party *activist,* out of patience, would denounce the enterprise managers in question for commercialism, and operation would be restored to the condition intuitively preferred by the party man. In short, the effect of a profit-maximizing rule is likely to be nil, just as the effect of the cost-reduction rule in 1959 was nil.

Nevertheless, the economic pressure for better management of resources is more likely to grow than to diminish. This is probable not because of the increasing complexity of the economy, as many observes have claimed, but because of something rather different. Recent evidence indicates that the return on investment in the Soviet economy is declining—a situation that has come about partly as a penalty of success. The level of technology of new plant and equipment generally exceeds the average level of technology in use. In the case of the Soviet Union, the rapid growth of its economy has been due to the large gap between the low level of technology in use and the high level in the West available for borrowing. As a result of 15 years of massive investment in the postwar period, the gap has narrowed, and gains from new technology are not coming as easily as before. In consequence, gains from organizational change appear to be more attractive than before.

If, as it now appears, party troubleshooting should prove to be an inadequate answer to increasingly subtle economic problems, some successor of Khrushchev's may decide that the interests of the party as a whole are better served by limiting the authority of lower party levels through stricter rules. There appear to be only two choices in rules for economic administration: (1) a systematic administrative hierarchy with appropriate definitions of mission and function, or (2) the rules of the market place, with profit maximization and prices equating supply and demand. These two possible directions of evolution are an interesting dilemma for the party of the October Revolution—bureaucratization or creeping capitalism.

[8] *Pravda,* March 27, 1963.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Et Resurrexerunt:
How Writers Rise from the Dead

By Hugh McLean

OF ALL THE SAVAGE and terrible features of Stalin's rule, one of the most nightmarish was the institution that George Orwell aptly labeled the "memory hole"—the practice of officially obliterating human beings and their works not only from life, but from recorded history, the collective memory of society. To undertake to erase people's names from history, to decree, as it were, that they never existed at all—such a proceeding seems to take us out of the world of human reality altogether, into a realm of the fantastic and supernatural. It is as if an old dictator, not content with defaming, banishing, or executing, finally arrogated to himself divine powers. Like Milton's Almighty, he sought to strip those who offended him of their very identity and historical reality:

> **. . . of their names in Heavenly records now**
> **Be no memorial, blotted and rased**
> **By their rebellion from the Books of Life.**

Sociologically inclined students of Soviet life in Stalin's day often assumed, as Orwell appears to have done, that the "memory hole" was a necessary and inevitable attribute of totalitarian society as such, one of its *specifica,* so to speak. But in the light of the decade of history that has passed since Stalin's death, it now seems clear that this is not entirely true, that in some measure at least, the "memory hole" was a personal product of that tortuous and paranoid personality whose "cult" has now been repudiated. It was Stalin's own work, his own dreams of vengeance imposed upon a whole society.

Mr. McLean is Associate Professor of Russian language and literature and Chairman of the Department of Slavic Languages and Literatures at the University of Chicago. This is his first contribution to Problems of Communism.

But while nations may temporarily be caught up in the private pathology of their leaders, they do seem to possess a kind of latent balancing mechanism, however delayed in its operation, which eventually asserts itself and brings about a turn back toward "health," a reversion to something approaching common sense and normality. Although of course it has other, more immediate political causes, perhaps Khrushchev's destalinization campaign may be regarded as something of this sort, an indication of the recovery of Soviet society—perhaps only partial—from Stalin's mental illness. To be sure, sanity is always a difficult thing to define, and it has been correspondingly hard for the Russians to mark off clearly the boundary between the (diseased) "cult of personality," which is rejected, and the (presumably healthy) Communist system itself. Even Khruschchev has wavered on this point. But in any case it may be useful to view Khrushchevism as Stalinism "sanitized," *i.e.,* restored to sanity.

One of the most notable indications of this return to normality has been the "rehabilitation," often posthumous, of many of Stalin's victims. Not only have the gates of the labor camps been flung open and many long immured wretches allowed to emerge into the "land where man so freely breathes," but a great many of those who perished have been posthumously cleansed of blemish and restored to moral citizenship. Most of the vast number of administrative sentences meted out by the secret police in Stalin's day have been officially annulled, declared "inconsonant with socialist legality." Furthermore, the "memory hole" itself seems to have been virtually abolished. It is now possible to mention in print—though not necessarily to mention *favorably*—almost any name at all, no matter how fearful the curse

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

it once bore—even some, like Bukharin, who have by no means been "rehabilitated." [1]

This "operation resurrection" has been particularly spectacular in the sphere of literature. Large numbers of writers, critics, and scholars removed from the scene in Stalin's time have been restored to literary life; the ban has been lifted from the work of many others who did not themselves suffer actual persecution. Scores of pallid ghosts have come trooping back out of the memory hole to take up their former places in Russian literary history. Collectively, their rehabilitations undoubtedly constitute, in artistic and intellectual importance, a more significant cultural "thaw" than most of the original "thaw" literature produced by living writers. Whether their revival can stimulate a real renaissance of living literature remains to be seen, but in any case it is a phenomenon of enormous significance.

The Least Lost

The theory and practice of Khrushchevist resurrection can best be understood in terms of the various categories of Stalinist oblivion to which it is counterposed. For under Stalin oblivion was not imposed equally and indiscriminately upon all offenders, but assigned in varying degrees to different classes of undesirables. The Stalinist memory hole led to three different "circles" in historical limbo, with certain minor gradations marked out within each circle. Of course, these circles were inhabited by a great variety of intellectuals of all sorts, but here only their literary population is considered.

In the first or outer circle sat the Abjured, a rather large group of writers from various periods whose works and ideals were considered sufficiently alien and immoral to be injurious to the tender minds of Soviet youth and disruptive to the tranquility of Soviet society. These unfortunates were branded with such derogatory labels as "reactionary," "anti-popular," "decadent," "mystical," "obscurantist," and the like. They included a variety of types: among them people who in prerevolutionary times had expressed anti-revolutionary or specifically anti-Bolshevik convictions; people in whose system of beliefs religion played too vital and central a role; people who seemed "Bohemian" or advocated anything resembling "art for art's sake," and so forth. Such people and their works were tabooed—not exactly forbidden, but not recommended and not disseminated. Their names were not totally erased from history; it was permissible to mention them provided one included the necessary disclaimers. But they had to be decisively abjured.

This first circle had a large historical sweep, reaching far back into the 19th century to include such figures as Dostoevsky, Grigoriev, Leskov, and Leontiev, whose works, if published at all in the Stalinist period, came out only in carefully "selected" editions with safely orthodox introductions designed to warn the faithful against any errors they might unwittingly absorb. The range of abjuration for the early 20th century became broader still, taking in practically the whole Decadent and Symbolist generations, in other words, almost the whole of Russian literature between 1895 and 1917, with the exception of the "realist" school. Among the Symbolists Briusov and Blok were also excepted—Briusov because he had the wisdom to become a Communist after 1917, and Blok because he was too "big" to be wasted and more could be forgiven him. And in his own odd way, he had welcomed the Revolution.

Besides these repudiated figures from the past, the Abjured also included a few alien bodies who lived on into the Soviet period but never became in any sense "Soviet," never accommodated themselves to Soviet demands on literature. They went their own way, at the most occasionally writing something "correct" in order to appease the authorities, but essentially remaining themselves. Boris Pasternak was one of them, also Anna Akhmatova, Mikhail Zoshchenko, and some older figures like Fedor Sologub and Andrei Belyi. Although they all lived and worked in the Soviet period, it is hard to think of them as "Soviet" writers (Zoshchenko is perhaps an exception). Despite their non-conformism, these abjured writers of the Soviet period, unlike some of their colleagues, were never subjected to police persecution. They were condemned to silence for long periods and frequently were attacked verbally in the strongest terms, but they remained "extant"; and their names never became so taboo that they could not be mentioned in print.

[1] So far there has been no public repudiation of the great show trials of the 1930's or their verdicts; and the names of Stalin's "big" antagonists within the party, like Zinoviev, Kamenev, Bukharin, to say nothing of Trotsky, are still heavily tabooed, to be handled as gingerly as hot coals. But it *is* permitted to mention them: *e.g.,* Bukharin's name is mentioned in the Academy's three-volume *History of Russian Soviet Literature (Istoriia russkoi sovetskoi literatury,* Moscow, 1958, Vol. I, p. 526). The taboo is still potent, however; though mentioned in the text, Bukharin is not listed in the otherwise thorough index! The Soviet encyclopedias, always good indicators of political Hooper ratings, still have no entries for any of these individuals. As before, "Trotskyism" is listed, but not Trotsky *per se;* the article on "Trotskyism" in the new edition of the *Malaia sovetskaia entsiklopediia* (1960), however, differs from previous Stalinist versions in that it treats Trotsky purely as an intra-party enemy; the old charges of his alleged ties with foreign intelligence services are not mentioned, nor is the epithet "enemy of the people" employed.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

In literary histories and criticism written during the Stalinist period the general rule for dealing with the Abjured was: don't, unless you have to; and if you do, be sure to disavow any connection between them and the great tradition of Russian literature. The usual procedure was to mention them in passing, with some pejorative comment implying that such poor and mistaken figures had inevitably been pushed aside by the progressive march of history. A few of the "biggest" writers among the Abjured might occasionally be credited with some positive, "progressive" contributions, despite the negative balance of most of their work—for instance, Dostoevsky received a few good marks for *Poor Folk* and *Notes from the House of the Dead.* But in general the Abjured were deemed unacceptable to Soviet man, fundamentally alien in mentality and attitudes.

The Rebels

The second circle of the Stalinist limbo belonged to the Accursed. To be relegated to this degree of outer darkness one must not only, like the Abjured, have professed an alien ideology, but must have actively tried to propagate it in the USSR. There had to be some fairly open act of defiance, a refusal to bend the knee to the Communist idols. One had to be not only a heretic but a rebel. For such crimes offenders were marked with the Curse, which carried with it a variety of unpleasant experiences in this world, often including elimination from it, and total erasure from the pages of history as well. One became an "unperson" who had never existed.

Among the Accursed were such people as Boris Pilniak, Isaac Babel, Yevgenii Zamiatin, and Yuri Olesha, all of them once leading lights in Soviet literature. Pilniak had been one of the most prominent novelists of the 1920's, the leader of a whole school of "ornamental prose." But he had been guilty of a heretical interpretation of the Revolution as a revolt against civilization, a wild, "elemental" mass upheaval which had at least temporarily restored Russia to the peasant primitivism of pre-Petrine times. Though more or less tolerated, with scoldings, in the 1920's, such a heresy became unspeakable in Stalin's day. Furthermore, Pilniak had made the dangerously freak admission that he was "far less interested in the fate of the Russian Communist Party than in the fate of Russia. To me the Russian Communist Party is only a link in the history of Russia." [2] And Pilniak may have been condemned for other, more "personal" sins: in 1927 he wrote a story which could be interpreted as meaning that the death on the operating table of the great revolutionary general Mikhail Frunze had been a kind of medical murder inspired by Stalin. In any case, Pilniak had a hard time of it from the late 1920's on, and about 1937 was finally arrested and "obliterated."

The case of Isaac Babel is both similar and different. He too had some tendency toward the "elemental" heresy in his view of the Revolution; he certainly had a highly independent view of everything, an inquisitive and fearless mind, and an artistic talent far greater than Pilniak's. He was also slier, more "hidden," more ambiguous; it would be hard to deduce an ideology from Babel's work, and he certainly never made such obviously self-incriminating statements as Pilniak's. But it is equally hard to imagine a Stalinized Babel dutifully turning out routine propaganda novels. He lived abroad a good deal, and during the 1930's wrote less and less. Eventually he "disappeared." Perhaps "private" reasons also contributed to his fate: Ehrenburg mentions the fact that he was a friend of Yezhov's wife, which may have been less than advantageous. [3]

Another victim of the Curse was Yevgenii Zamiatin. Author of the famous "counterrevolutionary" novel, *We* (never published in the USSR), he had made "un-Soviet" statements even more forthright than Pilniak's. Although he had been a Bolshevik before the Revolution, he resigned from the party as soon as it seized power, for he believed that "real literature can exist only where it is produced by madmen, hermits, heretics, dreamers, rebels, and skeptics, and not by painstaking and well-intentioned officials." [4] Even in the early 1920's, which seem so tolerant by Stalinist standards, Zamiatin discerned a fateful tendency toward rigid dogmatism in intellectual life and prophesied its baneful effects:

I am afraid we will have no real literature until we cure ourselves of this strange new Catholicism which is no less afraid than the old one of the slightest heretical word. And if this illness is incurable. I am afraid that the only future of Russian literature is its past.[5]

Though he issued no more statements as challenging as this, Zamiatin managed to maintain throughout the 1920's his independence and dignity. But during the RAPP period journalistic attacks on him became more menacing and he found it impossible to publish. He finally petitioned Stalin to be allowed to emigrate; ap-

[2] Quoted from *Istoriia russkoi sovetskoi literatury,* Vol. I, p. 57; originally in *Pisateli ob iskusstve i o sebe,* Moscow-Leningrad, 1924.

[3] I. Ehrenburg, "Liudi, gody, zhizn," *Novyi mir,* No. 5 (May 1962), p. 152.

[4] Yevgenii Zamiatin, "Ya boius," *Dom iskusstv,* No. 1, 1921; quoted from Zamiatin, *Litsa,* New York, 1955, p. 189.

[5] *Ibid.,* pp. 189-90.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

parently Gorky interceded with the Boss, and the permission was granted. Thus Zamiatin's fate was uniquely fortunate by comparison with those of the Accursed who lived on into the years of terror. But as a writer he was nevertheless consigned entirely to oblivion.

Yuri Olesha was another interesting and promising Soviet novelist of the 1920's whose literary career was cut short by Stalinist persecution and who eventually joined the ranks of the Accursed. His heresy, though he hedged it with ambiguity and self-deprecation, was a grave one. He raised the basic question of individual freedom: whether the human personality could find adequate fulfillment in striving for the collective goals of communism, or whether, on the contrary, the Communist system constricted and "mechanized" it, stifling the feelings which once "constituted the soul of man"—"compassion, tenderness, pride, zeal, and love." Posing as an unreconstructed old-style intellectual, Olesha debated this and other difficult questions for several years, ostensibly putting the blame on himself for being out of step with the age. One of his last articles is entitled "The Necessity of Rebuilding Myself Is Clear to Me."[6] But the issues he raised were too grave and his expression of them too poignant to be tolerated very long in the Stalinist era. For some reason his fate was milder than Pilniak's or Babel's: around 1938 he was duly arrested and erased from history, but he survived his years in the camps and returned to writing after the war. According to reports, however, he had become a hopeless alcoholic. In any case, he produced nothing of significance except some fragmentary, though interesting, notebooks. He died in 1960.

The Fallen Faithful

Finally, the innermost circle of the Stalinist limbo was occupied by the Damned. The Damned were neither alien in their ideology nor, with rare exceptions, defiantly individualistic or heretical in their attitudes. On the contrary, they were numbered among the true believers, marching in the front ranks of the army of progress; they belonged to the elite of elites. They were Communists. But after all, Communists were the original "purgees," and many of them, despite superhuman efforts to obey the all-wise Party, nevertheless fell by the wayside and were swept into the memory hole.

Although all were party members and alike in their basic Communist ideology, the literary Damned were a rather heterogeneous lot. Among them were Aleksandr Voronsky and Viacheslav Polonsky, "liberal" editors and critics of the 1920's who advocated an editorial policy of relative ideological tolerance and collaboration with "fellow travelers." They were naturally swept aside during the screw-tightening RAPP period. Polonsky was deprived of his editorship and made to recant his errors; he died a natural death in 1932. Voronsky was also expelled from his magazine and from the party; he recanted, spent some years as a free-lance writer, and was finally "erased" in 1937. He died in a camp in 1943. A third "liberal" Communist was the critic Abram Lezhnev, who tried to make of Marxist criticism something other than a measuring stick for gauging a writer's distance from the party line. He fought the RAPP-ites on literary policy, insisting that sincerity and artistic quality were more important than ideological correctness. He too disappeared in the purges.

Curiously enough, the most rabid enemies of these "liberal" Communists also found their way into the circle of the Damned—the original RAPP-ites, the militant advocates of proletarian "hegemony" in literature. (After a split in 1925 they were known as the "left" RAPP or "RAPP opposition.") Among them were two literary critics of some note, G. Lelevich and Georgii Gorbachov. They advocated an even more militantly "proletarian" literary policy than the RAPP leadership. They and their associates were purged in the early 1930's, probably not so much for their literary views as for their association with the Left Opposition in the party. They were among the earliest candidates for the memory hole: the "L" volume of the *Literary Encyclopedia,* published as early as 1932, does not mention Lelevich.

By a further irony, several of the "orthodox" RAPP-ites, who triumphed over the "Left" in 1925 and from 1928 to 1932 were permitted to ride herd over the whole territory of Soviet literature, were cut down in their turn after 1932 and eventually arrested and packed off to the Circle of the Damned. One of them was the mighty Leopold Averbakh himself, chieftain of RAPP and at one time virtual dictator of Soviet literature. Another was the RAPP secretary, Vladimir Kirshon, also a dramatist of some talent. Both of them vanished in the mid-1930's. Their crime was hardly ideological: it was rather that they had once constituted an independent center of power, somewhat outside the party hierarchy, and had made some attempt to defy the Central Committee's liquidation of RAPP in 1932. Most of the other orthodox RAPP-ites, like Fadeev, Panferov, Yermilov, and others, managed somehow to appease the monster and survive unscathed. (Yermilov is busy to this day with literary head-hunting in the true RAPP spirit: his latest victim is Ilya Ehrenburg.[7])

[6] Y. Olesha, "Neobkhodimost perestroiki mne yasna," *Tridtsat dnei,* No. 3, 1932, pp. 63-64.

[7] *Cf. Izvestia,* Jan. 30, 1963.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Thus leaders of three of the major Communist literary factions all joined one another in the circle of the Damned. Besides these more or less categorizable groups, the Damned also included some individuals caught in the net primarily through bad luck. Such a person was Mikhail Koltsov, a talented writer and journalist, one of the editors of *Pravda,* known as a loyal Stalinist. Nevertheless, after his return from Spain, where he had been a correspondent, Koltsov was arrested and "erased."

Besides these critics, journalists, and literary politicians, there were also a few creative writers among the Damned. Among them were Artem Vesely, who, despite his party membership, had "Pilniakian," elementalist leanings in his view of the Revolution; Ivan Kataev (no relation of Valentin), a disciple of Voronsky who made the mistake of expressing pity for the liquidated kulaks; and Aleksandr Tarasov-Rodionov, who had begun his literary career with a novel (*Chocolate*) dealing with the moral dilemmas of a Cheka agent. The great theater director Vsevolod Meyerhold should probably be included here. His revolutionary theater was out of harmony with the new conservatism of the late 1930's; like so many others, he was first humiliated and then "erased."

The Post-Stalin Setting

One of the curious contradictions of Stalinism was its utter inability to face the consequences of its own acts. It was perfectly obvious that with such a large number of its writers and critics officially reduced to non-being, the history of Soviet literature had come to an end, or more correctly, the history limped on, but it was impossible to write about it. No matter how sycophantically willing the scholar, it seemed impossible—and also dangerous—to undertake a job of falsification and distortion of such magnitude as to write, during Stalin's lifetime, an official history of Soviet literature. It is a striking fact that not a single solid synthetic work on the subject appeared in Russia between the last edition of Gorbachov's *Contemporary Russian Literature* [8] (1931) and the first post-Stalin attempt at "sketches" (sketchy they were, to be sure) for a history of Soviet Russian literature.[9] The only work that could be remotely considered an exception was the endlessly reprinted official textbook of Soviet literature for school use by Professor L. Timofeev.[10] But Timofeev's book made no pretense at being a history or even presenting its material historically; it simply filled up its space with two gigantic chapters on the great patron saints of Soviet literature, Gorky and Mayakovsky, and shorter chapters on some lesser—but officially certified—literary luminaries like A. N. Tolstoy, Fadeev, and Sholokhov.

With Stalin's death the process of restoration of history could begin, and with it the resurrection of the nameless. The "Sketches" mentioned above were the first signs of "thaw" in the historiography of Soviet literature. Though still wholly Stalinist in doctrine, their very existence was a sign of change: at least they essayed a historical view of the literary past. But no resurrections were as yet attempted, and none of the Accursed or the Damned could be mentioned at all.

It was, of course, the celebrated 20th Party Congress of 1956 and the even more celebrated "secret speech" by Khrushchev which really gave impetus to the process of resurrection. This speech knocked out some of the main weight-bearing pillars from under the old Stalinist structure: without specifying clearly just what the limits of official "revision" would be, it raised the question whether there need be any limits at all. As Dostoevsky said, if there is no God, then all is permitted; if you can criticize Stalin, you can criticize anything. Dogma became mere hypothesis. Thus the whole rigid structure was loosened up, and there was no way of knowing just where it would sag further. How far would Khrushchev and his cohorts push matters, or allow them to be pushed?

Insofar as literature is concerned, the answer to this question has emerged piecemeal. Since 1956 the Soviet literary world has been pretty clearly divided into two camps, the liberals and the conservatives. Until very recently, the regime has played the role of referee between them, though a referee often lamentably biased; it believed that both factions served useful purposes so long as they were kept under control. It needed the liberals to liven things up, to keep literature from becoming as dull as it had been in the Zhdanov era. But at the same time it regarded these liberals with great suspicion. They seemed constantly to forget the fundamental and unforgettable truth that the function of literature is to engineer Soviet souls according to party specifications, to preach the party's sermon and then preach it again. The regime therefore relied on the conservatives, with whom its spiritual affinity was much greater, to serve as watchdogs, safeguarding the basic tenets of the system, sniffing out heresy and by their snarls and growls keeping fear alive in the hearts of even the stoutest liberals.

[8] Georgii Gorbachov, *Sovremennaia russkaia literatura,* Leningrad, 1931.

[9] *Ocherki istorii russkoi sovetskoi literatury,* Vol. I, 1954.

[10] Leonid Timofeev, *Sovremennaia literatura,* Moscow, 1946; later editions have the title *Russkaia sovetskaia literatura.*

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

But even this ostensible "neutrality" on the part of the regime has now come to an abrupt end. In the last months a strong tightening-up campaign has been underway, culminating in Khrushchev's "literary" speech of March 8, in which he placed the regime solidly and ominously in the conservative camp. He made it clear that the limits of tolerated liberalism would now be defined much more narrowly and that the regime would exert much more direct pressure to compel creative artists to adhere to the principles of "socialist realism," "party-mindedness," and "people-mindedness." More imperatively and menacingly than before, he reiterated his basically "Stalinist" conviction that literature and art must remain at all times servants of the party. Into the bargain he displayed once again his militant phillistinism in matters of form: experimental art is still "formalism," and has no place amongst the glories of Soviet culture.

Khrushchev has thus shed a considerable part of the rather thin veneer of intellectual liberalism he had hitherto affected. From today's vantage point it would appear that about the only genuine aspect of this attitude was his motive to repudiate some of Stalin's most flagrant excesses. It was the regime that spearheaded the condemnation of Stalin's abuse of the police power—hence its authorization, for example, of *One Day in the Life of Ivan Denisovich.* Probably out of the same motive, the regime has proven permissive—within limits—in the matter of literary rehabilitations.

At the present time the "liberals" have virtually disappeared as an effective, *organized* force. Up to now, however, they have been the chief agents of resurrection, and if the regime does not decide to reinstitute the "memory hole" as an instrument of public policy, their influence will continue to be felt—if only in retrospect. For the revived literary ghosts have, of course, represented valuable allies to the liberals, demonstrating that Soviet literature once offered other alternatives than the official stereotypes—often alternatives of great artistic power and vitality.

The liberals have felt that the works of these ghosts, if once again propagated, would be an enormously broadening and enriching influence on Soviet literary life. Furthermore, many of the liberals have been bound to these ghosts by ties of literary admiration and often personal acquaintance and affection as well. Thus the work of resurrection frequently has been a labor of love, the bringing back to life of an admired colleague.

On the other hand, even the conservatives have been obliged to take some part in the process of resurrection. The most ambitious history of Soviet literature to date, the massive three-volume work produced by the Gorky Institute of World Literature,[11] is clearly "conservative" in spirit and dwells as little as possible on the evils of the "cult of personality." It may be "bad" history—biased, tendentious, patronizing, dull, and even dishonest; but at least it is history. Practically all the erased names have been inked in again; the nameless ghosts can be identified.

Resurrection from the Outer Circle

In general, the manner, speed, and, so to speak, quality of resurrection in the Khrushchev era have depended on the circle of limbo in which the given ghost sat under Stalin.

The Abjured have on the whole fared rather well, although not uniformly. By and large, the earlier and "bigger" the writer, the better he has been treated. Practically all the 19th-century writers, especially if they could be labeled "realists," have been claimed once again as part of the national heritage. To show the contrast with Stalinist times: in 1948 A. S. Dolinin, a distinguished Dostoevsky scholar, had been compelled to abjure Dostoevsky publicly and to promise that henceforth he would study only approved revolutionary democrats like Dobroliubov;[12] but in 1956 Dolinin was selected as one of the editors of a ten-volume edition of Dostoevsky, the first "complete" edition (excluding only the *Diary of a Writer*) to be published since the late 1920s.[13] Similarly, an eleven-volume edition of Leskov was put out in 1956-58—also not quite complete, but containing several works never reprinted since the Revolution.[14] A volume of Apollon Grigoriev's poetry was also published.[15]

Among the Symbolists, the resuscitation process worked more unevenly. Briusov and Blok had always been permitted, with "risky" spots kept to a minimum; now much more extensive editions of both have become possible.[16] Innokentii Annensky has been reprinted.[17]

---

[11] *Istoriia russkoi sovetskoi literatury,* Vols. I-III, Moscow, 1958-61.

[12] *Cf.* Gleb Struve, "The Soviets Purge Literary Scholarship," *The New Leader,* April 2, 1949.

[13] F. M. Dostoevskii, *Sobranie sochinenii,* 10 Vols., Moscow, 1956-58.

[14] N. S. Leskov, *Sobranie sochinenii,* 11 Vols., Moscow, 1956-58.

[15] Apollon Grigoriev, *Izbrannye proizvedeniia,* Leningrad, 1959.

[16] Valerii Briusov, *Izbrannye sochineniia,* Moscow, 1955, and others; Aleksandr Blok, *Sobranie sochinenii v vosmi tomakh,* Moscow, 1960.

[17] Innokentii Annenskii, *Stikhotvoreniia i tragedii,* Leningrad, 1959.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

On the other hand, many of the Symbolist generation are still abjured. Balmont, Merezhkovsky, Gippius, and Viacheslav Ivanov are perhaps rejected on the ground that they emigrated, yet Sologub and Belyi too are still under the ban.[18] By contrast, Bunin and Kuprin, being "realists," have now practically been acknowledged as Soviet writers.[19] Apparently there is something about "decadence" that is particularly hard for the Communist authorities to swallow. The problem can hardly be a matter of the ideological dangers the Decadents represent: surely no one could fear that Ivanov's mystical anarchism or Belyi's anthroposophy would find many converts among present-day Soviet youth. Perhaps it is the sheer self-sufficiency of decadent literature that is so irritating: it shows that art need serve no interests but its own. In any event, the rehabilitation of the Symbolists proceeds slowly.

Rescuing the Rebels

The Accursed have also fared rather unevenly. No clear official directive has ever been issued stating what is allowed and what is not; the process works rather through a series of test cases. It is as if each ghost needed some influential living sponsor to promote his or her interests. Undoubtedly the greatest and most successful of the resurrectionists is Ilya Ehrenburg. Whatever his sins of the past (especially his behavior during the anti-Semitic purges of the late 1940's), he has been enormously energetic in promoting a series of literary revivals. His own memoirs, though far from wholly frank or honest on many points, must be a great eye-opener to the young Soviet reader: there is not only the attractive picture he paints of life in the Paris Boheme and his undisguised enthusiasm for many "forbidden" modern European artists and poets, but also his evocation of the Russian literary past and his friendly appraisal of all sorts of taboo-ridden figures from Balmont to Babel.[20]

Ehrenburg was clearly the major promoter of the revival of Babel, who was a close personal friend and who figures prominently in the memoirs. Ehrenburg wrote a warm, but cautious introduction for the edition of Babel's selected works published in 1957, only allowing himself a few terse sentences on Babel's demise: "In 1939 on the basis of a false denunciation I. E. Babel was arrested. Unfortunately, the effort to discover the manuscript of his unpublished works has not been successful. Babel died in 1941 at the age of forty-seven." Ehrenburg also remarked on the strange fact that the "young generation, which has never even heard the name of this great writer, can become acquainted with the books which struck us thirty years ago."[21] Another "forbidden" friend whose revival Ehrenburg has sponsored—apparently against conservative resistance—is the poetess Marina Tsvetaeva.[22]

Speaking of sponsors, one of the curiosities of recent Soviet literary life has been the apparent championship of Anna Akhmatova (one of the Abjured rather than Accursed, according to my classification) by the ultra-Stalinist party hack and literary *Gauleiter* Aleksei Surkov, member of the Central Committee and frequent hurler of party thunderbolts. For some obscure reason, perhaps simply a private weakness for her poetry, Surkov has apparently chosen to "protect" her. A 1958 edition of Akhmatova's poetry—a truncated collection, to be sure, but the first to appear since 1940—was edited by Surkov;[23] and the recently published first volume of the *Short Literary Encyclopedia,* of which Surkov is chief editor, has an extraordinary article on Akhmatova, virtually presenting her as the ideal of everything a Soviet poet should be (the 1946 attacks on her by Zhdanov and the Central Committee are not even mentioned).[24]

Zoshchenko, a victim with Akhmatova of Zhdanov's wrath, has also been rehabilitated—but quietly, and apparently without official protection. Since his

[18] However, Sologub's famous novel, *Melkii bes* (The Petty Demon) was reprinted in, of all places, the Siberian town of Kemerovo in 1958.

[19] Ivan Bunin, *Sobranie sochinenii,* 5 Vols., Moscow, 1956; *Stikhotvoreniia,* Leningrad, 1961; and others. Aleksandr Kuprin, *Sobranie sochinenii,* 6 Vols., Moscow, 1957-58.

[20] Alas, Ehrenburg has now overstepped the limits of Khrushchev's tolerance; since the latter's March 8 speech his influence is sure to be negligible, at least in wangling any more concessions from the regime.

[21] I. Ehrenburg, "I. E. Babel," in I. Babel, *Izbrannoe,* Moscow, 1957, pp. 9, 5.

[22] Ehrenburg published an essay on Tsvetaeva in the famous "thaw" edition of *Literaturnaia Moskva* (Vol. II, Moscow, 1956), which also included some of her unpublished verse. This essay was supposed to serve as the introduction to a volume of her poetry already announced for publication in 1957. But in the conservative reaction of 1957 against the "thaw," Ehrenburg's essay was a principal target for attack, and the promised volume of Tsvetaeva's verse did not appear for several years. It finally came out in 1961, but Ehrenburg's essay was missing. Just what happened in the interim is of course a matter of conjecture. In any case, Tsvetaeva, along with Pasternak, has now become one of the idols of the young Russian esthetes whose influence Khrushchev so greatly deplores.

[23] Anna Akhmatova, *Stikhotvoreniia, 1909-1957* Moscow, 1958, ed. A. A. Surkov.

[24] *Kratkaia literaturnaia entsiklopediia,* Vol. I, Moscow, 1962.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

works earlier enjoyed a mass popularity equalled by hardly any other Soviet writer, it is possible the publishing houses simply sought to reprint them for profit, sounding out the reaction in official quarters in advance. In any case, several editions of his selected works have appeared since 1956, but without introduction or apologies.[25]

Olesha too was "brought back" in the first flush of enthusiasm after the 20th Party Congress. Following his release from prison, apparently at the end of World War II, he had published a few insignificant pieces,[26] but had not really rejoined Soviet literature: for a decade none of his major works was reprinted, nor was his name mentioned in articles on Soviet literature. But in 1956 a fairly complete collection of his works was at last brought out,[27] with a long introduction exhorting Olesha to break his silence and to produce a major work reflecting his lifelong experience as a Soviet writer. The introduction gives not a word of explanation for his silence, implying that it was self-imposed; but the dates appended to individual works tell their own story in showing a complete blank for the years 1937 to 1949.

On the other hand, certain of the Accursed, either lacking influential sponsors or because of some inherent quality in their work, still wait vainly for full restoration. This applies to both Pilniak and Zamiatin. There seems to be no move to reprint either of them; and although their names can now be mentioned in the large *History of Soviet Literature,* they are disclaimed in the strongest terms.

Resurrected Communists

Less attention has been paid outside of Russia to the rehabilitation of the Damned, probably because there were few major writers among them. Here, too, although some patterns can be discerned, a certain element of accident seems to enter into the rehabilitation process—perhaps again a matter of sponsorship and promotion.

In some cases the resurrections have been quite spectacular, with a considerable amount of official fanfare. Mikhail Koltsov, for example, has now been restored to full glory in the Soviet Pantheon. A three-volume edition of his *Selected Works* has already appeared, and even a book-length monograph about him, recommending him as a model hero for Soviet youth to imitate. Statements about his arrest and imprisonment are extremely brief and vague (as indeed they are about all the returnees from limbo). There is no account of the charges brought against him, nor of his trial (if there was one) or sentence, nor of his years in prisons and camps. At the end of the 233-page monograph there are two tersely uneasy sentences: "Slandered by his enemies, Koltsov was arrested on December 12, 1938. In 1942 Koltsov was no more."[28] Koltsov's fellow journalist, the professional Stalin-flatterer David Zaslavsky, is equally elusive in his introduction to the new edition of Koltsov: "Soon after his return from Spain Koltsov's literary and political career was tragically broken off. In 1938 he became the victim of hostile slander. In 1954 he was posthumously rehabilitated."[29]

Of the Damned writers, Artem Vesely, Ivan Kataev, and Vladimir Kirshon have been fully rehabilitated. New editions of their works have been published,[30] and articles written about them in which they are treated as venerable figures in Soviet literature. Characteristically, an article on Vesely begins: "By no means every contemporary young reader knows the name of Artem Vesely; but in the middle of the 1920s and 1930s this writer was one of the most popular in our literature." As usual, no explanation whatever is offered for the surprising ignorance on the part of "every contemporary young reader." The author merely proceeds to give a survey of Vesely's life and works, among other things trying to absolve him of one of his chief sins, sharing the Pilniakian "elemental" heresy in his view of the Revolution. About Vesely's ultimate fate he is as vague as possible: "It was not granted to Artem Vesely to realize his dreams and plans; his life, full of creative fire and labor, was broken off early."[31]

That was apparently as far as one could go in 1957. By 1962 a new formula had appeared, approved for use in the new *Short Literary Encyclopedia:* "In 1937 Vesely was illegally repressed [sic: *nezakonno repressirovan*]; posthumously rehabilitated." The same phrase ("illegally repressed") is used for Babel.

Some of the Damned have not been treated so kindly. Voronsky, for example, is now fully mentionable and rates an entry in various encyclopedias and histories of

[25] Mikhail Zoshchenko, *Izbrannye rasskazy i povesti, 1923-1956,* Leningrad, 1956; *Rasskazy, feletony, povesti,* Moscow, 1958; *Rasskazy i povesti,* Leningrad, 1960; *Rasskazy, feletony, komedii, neizdannye proizvedeniia,* Moscow-Leningrad, 1962.

[26] *E.g.,* "Zerkal tse," *Ogoniok,* No. 1, 1946, p. 9.

[27] Iu. Olesha, *Izbrannye sochineniia,* Moscow, 1956.

[28] G. Skorokhodov, *Mikhail Koltsov; kritiko-biograficheskii ocherk,* Moscow, 1959, p. 233.

[29] D. Zaslavskii, "Mikhail Koltsov," in Mikhail Koltsov, *Izbrannye proizvedeniia,* 3 Vols., Moscow, 1957.

[30] Artem Vesely, *Izbrannye sochineniia,* Moscow, 1958; Vladimir Kirshon, *Izbrannoe,* Moscow, 1958; Ivan Kataev, *Izbrannoe,* Moscow, 1958.

[31] M. Charny, "Artem Vesely," *Oktiabr,* No. 9, 1957, pp. 188, 202.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

literature; but so far he has not been reprinted. The *Short Literary Encyclopedia* rather condescendingly recommends his critical articles on individual writers, but still indignantly scorns his theoretical treatises on the epistemology of art and of course disapproves of his tolerance of the "fellow travelers." Polonsky, whose similarity to Voronsky is notable in many respects, has fared far worse: he has apparently been left to languish in limbo. Yet he was not "repressed," as the official term puts it—he died naturally. Perhaps the silence on him is simply explained by the fact that he was not as big a figure and no one has bothered to dig him up.

The old ultra-Left of the 1920's and early 1930's has not been treated even as well as the "liberals." To the writer's knowledge there have been no notable rehabilitations from this group, although in most cases their names can again be mentioned. Even such references have their limitations: of the old RAPP Left, Lelevich and Gorbachov, though quite prominent figures in their time, belong to that strangest of all classes in the Soviet limbo—they are mentionable but not listable in indexes! At least this is the case in the three-volume *History of Soviet Literature.* Oddly enough, the same is true of Averbakh, in 1928-32 the Stalin of Soviet literature: one looks in vain for his name in the index, though it does appear in the text.[32]

The Limits of Liberation

Thus the practice of literary resurrection in post-Stalin Russia, like so many other aspects of destalinization, is full of contradictions and ambiguities, which doubtless stem from the basic ambiguity in the position of the present regime and of Khrushchev himself. After all, it is not as if there had been a genuine change of regime. The same party is in power, pursuing largely the same policies; moreover, the people who run that party were all of them close henchmen of Stalin and therefore accessories to the crimes they now denounce, including "repressions" of writers. How much, then, has been repudiated?

It would seem that the Khrushchev regime wants to rectify, insofar as it can, some of the more extreme and arbitrary acts of Stalin's tyranny, to create a calmer and less terror-ridden atmosphere. But it has no intention of allowing the reexamination to be carried too far, to open up to public discussion any profound questions which Stalin had settled to their satisfaction. In particular it is unwilling to reopen the intra-party controversies of the past. Destalinization must not lead to Trotskyization or Bukharinization or Menshevization.

This applies first of all, of course, in the sphere of politics. In literature the regime is quite willing to permit the resurrection of writers unjustly persecuted by Stalin—provided their ideology is not too deviant. The range of tolerance of varied points of view is certainly much greater than it was, but it is still not very large. Rehabilitation has a long way to go before "every contemporary young reader" can really see what Soviet literature was like thirty and forty years ago. The ghosts may walk again, but they are not allowed to disturb the basic *status quo,* the party line in literature, which insists on confining creative talent to the expression of *partiinost* and socialist realism.[33]

It is, of course, hard to make predictions about the future. It seems possible that a few additional ghosts may be rescued from limbo: Belyi, Gumilev, and Mandelstam would be popular candidates. On the other hand, the conservative resistance to further contamination of the atmosphere is also very great, and there may even be some retrogressive movement; it is perhaps significant that there have been no further reprints of the 1956-57 editions of Babel and Olesha, although the demand for them must be enormous.

By and large, the situation seems to have become fairly stabilized during the past five years,[34] and the degrees of resurrection pretty solidly fixed as outlined here: resurrection with full honors, republication of works and issuance of laudatory monographs; resurrection with "selected" republication and on-the-whole laudatory comment; restoration of the right to be listed in encyclopedias and credited with some positive contributions, but without republication of works and with a good deal of negative comment in histories; restoration of the right to be mentioned in histories but with wholly pejorative comment; and finally, restoration of the right to be mentioned in passing but not listed in indexes. The final degree of obliteration, however—total and complete oblivion—seems to exist no longer.

[32] Averbakh is mentioned in Vol. II, p. 518; Lelevich in Vol. I, pp, 514, 517; Gorbachov I have not found, but I suspect he is there somewhere.

[33] On this subject see D. Burg, "The "Cold War" on the Literary Front—Part I: The Writers' Underground", Problems of Communism, No. 4 (July August) 1962, pp. 1-13.

[34] An indication is the fact that in the Academy's *History of Russian Soviet Literature* there is no noticeable difference in "line" between the first volume, published in 1958, and the third, which came out in 1961.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

BOOKS

Soviet Critics and American Fiction

Soviet Attitudes toward American Writing,
by Deming Brown.
Princeton University Press, 1962.

Reviewed by Irving Howe

THIS BOOK, in the best tradition of modern scholarship, is a careful and dispassionate study of how American literature has been treated by Russian critics since the Bolshevik revolution. Professor Brown, who teaches Slavic languages and literature at the University of Michigan, is conservative in his approach: he sticks closely to his texts and speculates only with reluctance. His method is to provide a series of exercises in "content analysis" of the major Soviet writings on American literature, in the course of which he quotes liberally, perhaps a bit too liberally, from the critics, summarizing their views with an evident desire to be fair, and finally discussing the political and other grounds for the Soviet judgments.

The opening chapter on the 1920's is the skimpiest in the book, but for understandable reasons: there was a certain measure of freedom for critical opinion in the Soviet Union until about 1927 and Professor Brown's study deals primarily with the terrorism that followed. The remaining chapters are devoted to the several periods which can be conveniently located in Soviet cultural life, with especially detailed attention to the years from World War II until 1955 (quite the worst in Soviet literary history) and to the 1955-1960 period, concerning which Professor Brown's treatment is rich but necessarily inconclusive. Rounding out the book are chapters on Dos Passos, Sinclair, London, Lewis, Dreiser, Fast and Hemingway, all of them writers frequently discussed by Soviet critics.

One of America's most notable literary critics, Mr. Howe is editor of the quarterly Dissent *and author of, among others,* Politics and the Novel *(New York, Horizon Press, 1957).*

The result, let it be said at once, is not exactly a fascinating book. Much of the data with which Professor Brown must deal is simply tiresome; he finds himself, in the name of research, forced to copy out a large amount of repetitive nonsense and empty sloganeering. A good part of this material cannot even be regarded as the sincere opinion of ill-equipped or over-zealous critics, since it is precisely the *excesses* of bad but honest work that are missing from Soviet criticism. And almost all of it is drearily predictable. Any literate person must know what the author demonstrates at studious length: that in the USSR literary criticism is at the service, more often the mercy, of a dictatorial regime, reflecting not merely its formal *Weltanschauung*—which might not be so crippling—but also its immediate political needs and even the whims of its rulers—which certainly *is* crippling.

Distinguished criticism can be written from almost any world-view, or from a mere eclectic release of personal tastes. Distinguished criticism has been and will be written from a Marxist point of view. One can even imagine that distinguished, or at least competent, criticism might be written from within the limits of the official Soviet state ideology—one can imagine it, that is, provided the critics had merely to conform to a general position and were free to express personal views concerning style, content and form. But what besets Soviet criticism is something far more oppressive than mere censorship or ideological constriction; it is an effort on the part of the state, perhaps without historical precedent, to dictate the *literary nature* of literature in behalf of non-literary ends.

It seems to me a serious error to suppose, as do certain scholars, that "socialist realism" is an authentic critical doctrine, to be treated more or less in the way one might treat Freudian or Marxist or formalist or mythic criticism. All of these critical approaches, no matter how well or ill they are used, can be applied

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

with seriousness, tact, disinterestedness and intellectual freedom. The nebulous and threadbare formula of "socialist realism," however, has its origins so completely in the dictates of state power (as well as in the provincial conceit of party bureaucrats) that it can hardly be understood except as an elastic cover for whatever the momentary needs of the dictatorship may be. It has not undergone any internal development as a body of critical thought; its history is inseparable from the history of political turns during the Stalin and post-Stalin dictatorships; and so long as it remains the official state doctrine, it insures the prevalence of non- or anti-criticism. To understand "socialist realism" one has to know something about the nature of totalitarian society, but almost nothing about the methods of literary criticism. That there has nevertheless been a certain amount of genuine criticism written in Russia these past few decades does not threaten this assertion: it merely indicates that no system of thought control can be total.

NOW, THE CONSEQUENCE of all this for Professor Brown's study is that large parts of it make pretty dull reading. The more evidence he offers, the less we need; for it becomes entirely clear that insofar as he is dealing with official dogma and sanctioned judgment there can be none of that surprise or freshness which we expect from criticism. That the Soviet critics praised the early Dos Passos and denounced the later one; that they attacked Howard Fast after a certain date with the vigor they had previously praised him; that they ignored shameful aspects of Dreiser's career because he had announced himself a Communist—all this we have known all along. And if it be said that the virtue of positive scholarship is to demonstrate with overwhelming detail what we merely suspect we know, then it must be remarked, in turn, that Professor Brown has seized upon a subject in which the beginning of value, to say nothing of interest, consists in a willingness to speculate.

One premise for such speculation, I believe, must be that many of the Soviet critics are quite as intelligent, learned and sensitive as their Western counterparts, and given their problems of intellectual survival, probably a good deal more shrewd. Nonetheless, they are engaged in an activity that is radically different from, while yet significantly related to, what we understand by literary criticism. Professor Brown reports a fascinating discussion among Soviet critics, held in the mid-1930's about the techniques of Dos Passos' *USA*. The critic Anna Yelstratova writes about Dos Passos' Newsreel device that it is "the most progressive, most revolutionary link of his creative method as a whole, permitting him to approach . . . a genuine example of revolutionary realism in literature." But the critics Korneli Zelinski and P. Pavlenko declare that "the stenographs of newspapers and everyday life . . . involuntarily recall the empirical method of Joyce, who wants to produce an inventor of the world, like a sheriff or agent of justice in the pursuit of his legal duties. This is not ours, this is the bourgeois approach to things."

On the face of it, this dispute is close to absurdity, for as Professor Brown remarks, literary techniques cannot in themselves be considered progressive or reactionary. But I am persuaded, though I cannot prove it, that in its original context this discussion was probably not absurd and that it referred to problems decidedly important for Russian writers and readers. Some unspoken difference was "really" at stake in this discussion, probably going beyond the immediate matter of Dos Passos' technique. Perhaps it is unfair to ask Professor Brown to tell us what that difference was; perhaps no one, as yet, can tell us; but one wishes, at least, that he were less ready to copy out such extracts as if they made sense in their own right and were more prepared to suggest that they must be dissolved in a solution of analysis. What is needed here is an expert and controlled speculation, something that scholars of Soviet cultural life cannot afford to reject even as they recognize all the risks it involves.

WE NEED SUCH speculation because literary criticism in the Soviet Union constitutes a kind of double language —except, of course, when written by the sheerest dolts or hacks, and Professor Brown's citations make it clear that at least a reasonable minority of the critics are more than that. Let us assume a Soviet critic has to review a novel by an American writer of vaguely "progressive" tendencies, or at least a writer not regarded as an open enemy: he searches for aspects of the writer's political "tendency" that can be praised, he notes the way in which the writer falls short of ideological correctness. So far, standard practice: it could be done by a machine. But whether consciously or not, the critic then finds himself wanting to suggest *a little bit more;* he wants to touch upon something that cannot be communicated through official phrases; he wants, that is, to weave a few strands of critical perception, in mild colors, through his essay or review. He communicates through bits and pieces of understatement, and the experienced Soviet reader probably learns to look for these phrases in between the official passages.

If my sense of what happens in a totalitarian country like the Soviet Union is correct, and recent testimony

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

indicates that it may be, then it forces upon a scholar writing a book such as Professor Brown's the dangerous necessity of confronting certain questions: What does this Soviet critic "really" think?—by which one means not that his private feelings are in full conflict with his public role or that he is a principled opponent of communism, but that he writes from a state of tension. Are there underground strains of sensibility beneath the crusts of his official rhetoric? Is he trying to offer an occasional signal of personal valuation, visible perhaps only to an audience trained to receive them in a world of unfreedom? Only by assuming that such questions are meaningful can we take seriously the writings of the Soviet critics.

This problem of interpretation is far more difficult in regard to literary criticism than with political texts. In the political writings produced for the Soviet regime there is by now a standard set of references and euphemisms: *e.g.,* everyone knows that when *Pravda* says "Albania" it means "China." The conventions of obfuscation have been so well established that they serve, paradoxically, to help make clear what the Soviet political journalists are saying. But when a literary critic speaks of, say, "reality" or "truth," one cannot be nearly so certain of his meaning: it can range from the slogans of the moment to his personal sense of human existence. Because the conventions of obfuscation are not so well established, the result is greater obscurity and uncertainty. That is why literary criticism in the USSR is so ticklish an activity: the very fact that some slight margin of personal taste or freedom is allowed magnifies the dangers of the critic. One wishes, therefore, that the author, instead of quoting so many occasional passages, had reproduced a few reviews in full, so that it would be possible to study them with an eye toward detecting the relationships between statement and signal.

There are moments when Professor Brown does permit himself a certain latitude of speculation, and then his book becomes decidedly interesting. Why is Jack London so popular among Soviet readers?

> **They deeply respect the elemental vigor of his writing, his hearty temperament, and his love of violence and brute force . . . In fact, the Russian taste for stories of hardy adventure in remote and uncivilized territories was cultivated largely through his works. In the 1920's critics even complained that his books had produced in the Russian mind a distorted image of America—a land of mysterious adventure instead of a country of industrialization and highly developed capitalist contradictions.**

And what in Hemingway has so absorbed Soviet readers?

> **. . . his vigorous love of nature, sports, combat and adventure must appeal to the Russians. This clean, rugged outlook on life (despite its elements of bravado, of which the critics took due note) strikes the same chord in the Russian heart as do the stories of London. In the Russians there is a strong love of the primitive, and a comparable distaste for the sophisticated, which amounts at times to a puritanical attitude toward the "decadent" trappings of civilization. The unmistakable longing for a simpler, purer and more elementla life which rings in Hemingway's stories must find response in this part of the Soviet reader's nature.**

The point is well-taken, despite Professor Brown's tendency to construct an ideal Soviet reader who has never been exposed to Russian symbolist or decadent poetry. One might add that the strong distaste for official lying in the Western world, which runs through Hemingway's earlier work, must strike chords of response among Soviet readers who do not find it very difficult to make their own applications. In any case, it is passages such as these which provide moments of light in Professor Brown's study, and one finds oneself, perhaps ungratefully, wishing for more of them.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

NOTES and VIEWS

Indian Communism in Turmoil

EDITORS' NOTE: In a previous article for this journal ("The Indian CP Between Moscow and Peking," No. 6, 1962), Mr. Harry Gelman examined the impact of the Sino-Soviet conflict on the internal unity of the Indian party. Here, he brings the story up to date, showing how later developments in that conflict have split the CPI wide open, leaving it temporarily under control of the pro-Soviet faction.

IN MID-OCTOBER of 1962, on the eve of the Chinese military offensive in India, the Communist Party of India (CPI) was in perilous straits. Though its position as the second largest party in India had been reaffirmed in the national elections only eight months before, the CPI was desperately divided. On one hand was the right-wing majority faction of the party, led by the new party chairman, S. A. Dange: this faction was still fairly loyal to the CPSU; it was willing to serve Soviet foreign policy interests by preserving a moderate line toward the "national bourgeois" government of Prime Minister Nehru; and it was anxious for the party to take a position on the Sino-Indian border dispute which would not isolate it from outraged Indian nationalist opinion. On the other side was a powerful left-wing minority, well represented in the central party organs, and particularly well entrenched in control of certain provincial party committees (such as those of West Bengal and Punjab) which through long habits of CPI indiscipline had become semi-independent kingdoms supporting policies often incompatible with those of the central party leadership. The left faction was by now vociferous in its criticism of the CPSU and its expression of sympathy for the CCP; it was openly sympathetic toward the hard, militant line on Nehru urged by Peking; and it was adamant in refusing to admit that "socialist China could commit aggressions," no matter what this refusal cost the CPI. The tension within the party seemed such that a dramatic worsening of either the Sino-Soviet or the Sino-Indian conflicts might be the start of an open party split.

Both conflicts indeed worsened dramatically in late October: and the beginnings of a split in the Indian party have since then become discernible.

THE CHINESE GENERAL ATTACK in the Northeast Frontier Agency (NEFA) and Ladakh areas on October 20 marked a watershed for the CPI, both in its attitude toward the Nehru government and in its relations with the world Communist movement. For the time being, this event left the CPI no more room for equivocation. If the party did not issue a forthright condemnation of Peking and pledge of support for the national government, it could expect most of the popular support it had painfully built up over the last decade to disappear rapidly; quite possibly, the party itself might lose legal status. Right-wing CPI leaders such as Dange and provincial party committees led by the rightist faction therefore responded immediately with public denunciations of the Chinese aggression; but the CPI itself did not take an official stand until the party's National Council issued a resolution on November 1. During the twelve days between October 20 and November 1 two momentous events occurred to affect that resolution.

First, on October 22, the Cuban crisis began, and the Soviet Union apparently saw an overriding emergency touching on Soviet interest more vital than the need to preserve the Soviet position in India. On October 25, for the first and last time in three years of Sino-Indian border controversy, *Pravda* published an editorial siding with Peking. This editorial implied doubt of the validity of the MacMahon line as the border in the NEFA area, explicitly praised and endorsed the Chinese proposals for a ceasefire, opposed preconditions for a ceasefire (on which New Delhi was insisting) and called on Indian "progressives" (*i.e.*, the CPI) to restrain themselves and their government. It seems likely that Moscow took this drastic step as a gesture seeking bloc solidarity at a time of military crisis. It is possible that a subsidiary motive, however, was a

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Soviet hope to buy Chinese forbearance in the event that a backdown on Cuba became necessary.

If the Soviets did entertain such a hope, it quickly proved illusory, for when Khrushchev did back down over Cuba the Chinese proceeded to scourge him unmercifully in their propaganda as an appeaser; they continue to do so to the present day. In the meantime, the Chinese made it plain that the gesture of appeasement the USSR had made toward *them* over India was entirely insufficient. On October 27 *Jen-min jih-pao* printed an editorial attack on "Nehru's philosophy" which went much further than an editorial on this subject published by the Chinese party organ in May 1959, shortly after the Tibetan revolt. Whereas in the earlier case Nehru had been depicted condescendingly as a confused and vacillating leader whose policy was nevertheless "generally favorable," now he was said to have acted all along as a conscious agent of "reactionaries" and "imperialism" on really important questions of domestic and foreign policy. The Indian Communist Party was sternly admonished not to "trail behind" this reprobate by echoing his accusations against Peking, and S. A. Dange was derogated as a "so-called" Marxist-Leninist for having done so.[1] Finally, with regard to the Soviet Union, the editorial made it clear that nothing short of a direct condemnation of Nehru and India (which *Pravda* of October 25 had not contained) would satisfy Peking's conception of "proletarian internationalism"[2]—that what was being demanded of Khrushchev, in fact, was the total abandonment of his India policy, of the fruits of eight years of Soviet cultivation of the Indian population and the Indian "national bourgeoisie."

Thus, by the end of October, Moscow could see that it had blundered. It had jeopardized its position in the eyes of the Indian public to no good purpose; Peking was not appeased over Soviet policy toward India and had not been restrained from launching violent attacks on Soviet actions over Cuba. Accordingly, in a November 5 *Pravda* editorial and in subsequent Soviet comment, Moscow proceeded to edge away from the partial support it had given Peking on October 25 and to reassume its earlier position.

THE INDIAN COMMUNIST PARTY, meanwhile, fought a momentous internal battle in the last week of October, as a result of which it disregarded the public advice given it by *both* Moscow and Peking and adopted a position unacceptable even to the CPSU. Dange's supporters in the National Council forced through a resolution which condemned Peking unequivocally and called on Indians to unite behind Nehru "in defense of the motherland against Chinese aggression." Although *Pravda* of October 25 had asked the CPI not to do this, such a statement may have been regarded by Moscow as inevitable. The CPI resolution went on, however, to say that the party was not opposed to India's "buying arms from any country on a commercial basis," and this Moscow could not stomach. By endorsing the acceptance of military aid from the "imperialist" West against Communist China, the CPI soon found itself at odds with many of Moscow's European adherents. For example, the British party, former mentor of the CPI, in October and November took a more and more openly anti-Indian position; the Czech party at first went so far as to repeat Peking's story that India had launched an "extensive offensive" on October 20,[3] and as late as November 8 was continuing to attack the validity of the MacMahon Line;[4] and even the revisionist Italian party complained that "we fail to understand easily the position of the Indian Communist Party."[5]

Meanwhile, however, Moscow's retreat of November back toward a public posture of neutrality helped to make the CPI's domestic position more tolerable, and the Dange leadership hastened to fortify itself at home and defend itself abroad. On the very next day, it was announced that Dange had had a talk with Nehru in which he outlined to the Prime Minister the National Council resolution and assured Nehru of the CPI's support. A few days later, the CPI weekly organ published a pugnacious defense of the Indian party leadership against the attack made by *Jen-min jih-pao* on October 27; the Chinese were accused of "national chauvinism," and of having made a blatant appeal for Dange's overthrow on the eve of the National Council meeting.[6] At the same time, the CPI was reported to have written to all Communist parties of the world defending its position and asking for support.[7]

BY THIS TIME—early November—the central CPI leadership was at last firmly in Dange's hands, and the recalcitrant provincial party organizations were soon to succumb as well. Although the vacillating CPI General Secretary, E.M.S. Namboodiripad, apparently refused to sign the

[1] Chairman Dange thus became the second CPI leader to be so honored in a *Jen-min jih-pao* editorial, the first having been the late general secretary Ajoy Ghosh, on Dec. 7, 1961.

[2] This was spelled out still more forcefully by Chou Enlai in a speech on November 4, when he thanked the North Koreans for "upholding the stand of proletarian internationalism"; this he defined as "distinguishing right from wrong, upholding justice, denouncing the Indian aggression against China, supporting China's counterattacks in self-defense," and supporting China's proposals for a border settlement. (NCNA, November 4, 1962.)

[3] Prague radio, October 25, 1962.

[4] Prague radio, November 8, 1962.

[5] Mario Alicata in *Unità* (Rome), November 11, 1962.

[6] *New Age* (New Delhi), November 11, 1962. In another article in the same issue, Dange himself wrote that the CPI would help defend the country because Communists are committed to defend "just wars." The usual Communist criterion for a "just war," of course, would require Dange to do exactly the opposite.

[7] *Statesman* (New Delhi), November 16, 1962.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

party resolution of November 1 (as *Jen-min jih-pao* carefully noted), he was isolated and powerless; the three leading left-faction spokesmen on the Central Secretariat had resigned following the passage of the resolution. While it was the pressure of Indian public opinion upon the party that pushed the leftists out of the central CPI machinery, Dange apparently owed it to the Indian government that these leftists lost their organizational position in the provinces. On November 7, the day after Dange spoke to Nehru, and again on November 21, the government made large-scale arrests of CPI cadres; the overwhelming majority of those arrested were leaders of the left-wing faction in New Delhi and in the provinces who had opposed or who had shown a lack of enthusiasm for the National Council resolution. *Jen-min jih-pao* has furnished its own comment on what happened next:

The Dange clique exploited the situation and sent their trusted followers, on the heels of the police, to take over the leading organs of the party committees in a number of states. The purpose of these actions by Dange was to reconstitute the Indian Communist Party and wreck the Indian revolutionary movement so as to serve the ends of the big bourgeoisie.[8]

In November and December the right-wing faction apparently did in fact take advantage of the sudden departure of the leftists to seize the party machinery for the first time in the left-wing strongholds of West Bengal and the Punjab, and to consolidate its dominant position everywhere else. This action seems to have evoked countermeasures on the part of the party's left wing which may mark the beginning of an organizational split in the CPI. In the Punjab, the leftist provincial party first secretary, before being arrested, is said to have left instructions to his followers not to cooperate with the new provincial party leadership, and to have warned "against certain weak links in the party" who "would speak the language of the government."[9] In West Bengal, an "underground" center is said to have come into being which similarly instructed party units to refuse to cooperate with the "usurping" right-wing leaders of the provincial party organization; according to the Indian press, many local party units in West Bengal have in fact maintained contact with this "underground" center and have refused allegiance to the official party organization.[10] The new management of the West Bengal party newspaper *Swadhinata* complained publicly that the outgoing leftist leaders had taken the organization's funds with them, mortgaged the *Swadhinata* presses, and left the newspaper in a financial and legal predicament in which it would be difficult to continue publication.[11]

Peking, of course, has sought to blame the growing organizational division in the CPI on "Dange and company," who are said to have "used the power of the Indian ruling groups to push aside the people who disagree with them . . . and to split the party wide open."[12] At the same time, Peking's increasingly open calls in December, January and February for all "true Marxist-Leninists" to revolt against the policies and the "baton" of the CPSU were transparently designed to encourage factional strife in all Communist parties, including the CPI. As justification for its own position, the CPI leadership therefore eagerly reprinted all the anti-Chinese statements made by various Communist parties as the Sino-Soviet polemic expanded, including Ulbricht's lament at the East German congress that the "Chinese comrades" had not adhered to peaceful coexistence "in dealing with frontier questions with India."

MOSCOW, however, was by no means happy at the prospect of a formal split in the CPI, and particularly unhappy at the means by which it was being brought about. While remaining careful not to jeopardize relations with New Delhi, the Soviet press repeatedly protested the jailing of CPI members (particularly that of General Secretary Namboodiripad, who was detained for a week in late November). On December 30, a *Pravda* writer deplored "attempts to interfere in the internal affairs of the Communist Party," citing a statement by an Indian Minister who was said to have declared that "the Communist Party should clear its ranks of questionable elements." Such efforts "to divide the Communists into the 'pure' and impure," *Pravda* complained, are nothing "but an attempt to kindle internal strife within the Communist Party, to split it."

In the light of this situation, Dange in December undertook a trip to consult with Communist leaders in the Soviet Union, Eastern Europe, Italy and Britain. Peking later claimed that Nehru and Indian Home Affairs Minister Shastri had briefed Dange before his departure, and that Dange had acted as an agent of New Delhi;[13] it seems likely, however, that Dange's first concern, as always, was to defend the position of S. A. Dange, and to justify in his talks with Khrushchev the actions taken by the CPI under his leadership. It has been reported in the Indian press that Dange was not altogether successful in this—that Khrushchev remonstrated against the National Council resolution as being unnecessarily blatant in condemning Chinese aggression, and that he criticized the CPI for not sufficiently qualifying its support of Nehru.[14] After Dange's return, he reported first to Nehru, and then

[8] *Jen-min jih-pao,* March 9, 1963. The Chinese here went so far as to suggest that the Indian government acted "on a list of names previously furnished to it" by Dange.

[9] *Link* (New Delhi weekly), December 16, 1962.

[10] *Ibid.,* December 23, 1962.

[11] *Ibid.; Swadhinata,* December 12 and 27, 1962; *Statesman,* January 9, 1963.

[12] *Jen-min jih-pao,* March 9, 1963.

[13] *Ibid.;* January 15, 1963.

[14] *Thought* (New Delhi weekly), December 29, 1962.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to the CPI Central Executive Committee. The latter seemed to be responding to advice brought from abroad when on January 12 it adopted a resolution which, while continuing to support the bargaining position of the Indian government and to place the onus for agreement upon Peking, put greatly increased emphasis on the need for a peaceful settlement and on the dangerous machinations of the Western powers." [15]

This shift in the emphasis of the CPI line was reiterated in resolutions adopted by the party's National Council in February. At the same time, the National Council finally put the CPI on public record with a formal, unequivocal denunciation of the Chinese party's position in the Sino-Soviet conflict.[16] Finally, it was at this National Council meeting that Namboodiripad, already isolated within the leadership, resigned as CPI General Secretary and editor of *New Age,* leaving Dange's forces in sole control.

THAT MOSCOW has come to feel, however, that some of the CPI's right-faction leaders have carried a compliant attitude toward Nehru too far was demonstrated when the March 1963 issue of the Soviet-controlled international Communist journal, *Problems of Peace and Socialism,* published a review article by Namboodiripad (identified now as merely a "member of the CPI Central Secretariat"). In this article Namboodiripad—and presumably the CPSU—reiterated the basic Soviet thesis that the Indian bourgeoisie had "not exhausted its progressive role," but also emphasized the need to support the Nehru government only when it did well, criticizing it when it misbehaved. Namboodiripad chided "some comrades" for believing it possible simply to "walk in step with the government."

For Peking, of course, the matter is much more simple; and *Jen-min jih-pao* on March 9 made its position plain with an editorial denouncing the CPI leadership in the most violent terms to date, condemning Dange as a Titoite revisionist who was now beyond the Communist pale and as a traitor who had split the CPI by capitulating to Nehru and the Indian bourgeoisie.

Despite Moscow's apparent desire to restrain it, the right-wing faction now at last seems in firm possession of the machinery of the Communist Party of India throughout the country, while the leftist faction—its top leaders imprisoned—reportedly is vigorously contesting the authority of the new leadership in certain areas. It remains to be seen whether the leftists will eventually go on to create and announce a second Communist Party in India, as has already happened in Brazil. At the moment (late March) both the Sino-Soviet and Sino-Indian conflicts are in a phase of relative quiescence; should either be reactivated, the development of a formal schism in the CPI may be expected to accelerate.

Harry Gelman

(Mr. Gelman is an American student of Indian affairs.)

[15] *New Age,* January 20, 1963. The TASS account of the resolution leaned heavily on the latter aspect of the statement.
[16] *New Age,* February 17, 1963.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED